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An Economic Model Assessment of Free Trade on Nova Scotia

Nova Scotia Background Studies Related to Canada-U.S. Free Trade Negotiations

Volume 1 of 3

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Department of Industry, Trade and Technology

Hon. Roland J. Thornhill, Minister

FOREWORD (1988)

The purpose of much of the research and consultations carried out by the Department of Industry, Trade and Technology prior to and during the trade negotiations was to identify and define how Nova Scotia's economic interests would be affected by freer trade with the U.S.A.

During the two and one half year period leading up to the January 2nd signing of the Free Trade Agreement, the department had access to many and varied sources of information, including confidential federal studies and papers, and many businesses and associations were very cooperative in supplying information on a confidential basis. The department also made use of the massive commentary and research generated on free trade issues, and cooperated in various external studies including the study done in 1986/87 by the Atlantic Provinces Economic Council.

The research, analysis and consultation undertaken throughout the period was a continuous process owing to the dynamic nature of the trade negotiations. Information was constantly updated, checked and refined as the potential scope and terms of the trade agreement evolved and changed.

The following three documents being released meet external confidentiality requirements and reflect information gathered and analysis carried out at various points between 1985 and the end of 1987.

VOLUME 1 - AN ECONOMIC MODEL ASSESSMENT OF FREE TRADE ON NOVA SCOTIA

In 1985 a research project was commissioned to test the impact of free trade using the well regarded Cox-Harris econometric model. The department wanted to apply this model to the Nova Scotia situation to gain more insight as to whether net gains and losses would occur in manufacturing and resource sectors and the potential magnitude of these. Results from this study are further updated in Volume 3.

VOLUME 2 - CONSUMER BENEFITS FOR NOVA SCOTIANS FROM CANADA-U.S. FREE TRADE

By early 1986, various wide ranging estimates of Canadian consumer benefits were being forecasted as a result of trade liberalization. The department commissioned an informal study in the summer of 1986 to better determine the potential for Nova Scotia consumer purchase and cost of living savings.

VOLUME 3 - FREE TRADE STAFF BRIEFING BOOK

As the formal negotiations began in mid-1986, a staff briefing book was prepared incorporating trade statistics, background commentary, and general findings from a survey of over 100 Nova Scotia firms and associations undertaken by the department in late 1985.

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Executive Summary

The objective of this report is to analyze the impact of free trade on the Nova Scotia economy. The prime method of analysis is a free trade model developed by Richard Harris applied to Nova Scotia. The Harris model is a general equilibrium model which allows for scale economies and for competitive and non-competitive scenarios.

The model was applied to Nova Scotia data for 1976. The results showed significant gains from free trade, with the non-competitive model providing a greater impact from free trade than the competitive model.

Given constant employment/ratios the model calculates manufacturing employment to increase by 13.3 percent in the competitive case and by 44.1 in the non-competitive case. It calculates gross domestic product (less manufacturing) employment to rise by 5.95 percent in the competitive scenario and by 9.33 percent in the non-competitive scenario. Manufacturing shipments increase by 22.8 percent in the competitive model and by 47.3 percent in the non-competitive model. Gross domestic product (excluding manufacturing) increase by 5.4 percent and 8.8 percent in the competitive and non-competitive models respectively. In order to view how these results might change due to changes in industrial composition over time, the model was solved for the years 1978 to 1982. The results indicated that the change in output and employment levels for total manufacturing and gross domestic output (excluding manufacturing) remain fairly constant over time.

A few words of caution should be noted before embracing these

results. Firstly, we have taken a national model and applied it to a specific region. Secondly, the results are based on 1976 data and the level of tariffs has decreased since that time. Finally, much of the gains from trade occur from a rationalization of industries to fewer and more productive firms. If this rationalization does not occur proportionately across regions then the benefits from free trade could be considerably less.

Economic Impact of Free Trade on Nova Scotia

Introduction

Will free trade between Nova Scotia and the United States be beneficial to the Nova Scotia economy? This extremely important question is a very complex one to answer. The reason for its complexity is obvious. We are not sure how entrepreneurs in both the U.S. and Canada would react to the existence of free trade. There are several approaches one can try to obtain the answer to the usefulness of free trade. One can survey business firms and assess their feelings on the subject. This approach is useful but has the danger of being myopic and short range. The approach adopted in this paper is to apply a general economic model that simulates how consumers and producers would react to the free trade option. A model approach to the problem is a useful cross check on the direct survey approach since the model has no 'vested interests' in its outcome. The model approach, however, has its own difficulties. Any model is only an approximation to the real world and as such is only as good as its specification. Further, building an accurate model is both time consuming and expensive. Given a lack of resources, this report provides a second best solution to the analysis of free trade benefits by applying an existing free trade model to the Nova Scotia economy. The model is that developed by Harris [1] and expanded upon by Tremblay [8].

Ask any economist whether free trade is beneficial to a society and you will first get a dissertation on what is meant by beneficial

and secondly an unequivocable "yes". We provide the discussion on what is meant by the benefits of free trade in Appendix I. These are important considerations but beyond the scope of the present report. Our analysis restricts itself to the change in output and employment levels for the region's industry as our measure of benefits.

Although economists answer with a resounding "yes" when asked if free trade is beneficial, traditional empirical analysis has not shown a significant measurable benefit for free trade. The logic of free trade benefits are clear. Any two countries engaging in free trade can specialize in those products they produce most efficiently given their resource endowments. In fact even if one country can produce all goods more efficiently than the second country it will still be beneficial for the first country to specialize in what it does best and trade with the second country. Free trade allows both countries to produce such that the total output from each country is greater under free trade than in a tarriff barrier world. Although the logic is clear, estimates of the benefits of free trade have been in the order of 1 percent of GNP. Given the heroic assumptions usually required to assess the benefits of free trade, free trade proponents have been somewhat resistent in advocating a free trade policy based on these small effects.

The Harris model used in this report represents a significant improvement in development of a realistic model of free trade. Because it simulates reality more closely, the model's results deserve more attention. The Harris model provides free trade benefits in the order of 8 percent of GNP. Hence, the Harris model provides a strong

incentive for the adoption of free trade by a country.

In Section I we provide estimates of the benefits from free trade using the Harris Model. Section II discusses the relevance and short comings of the Harris model and urges caution in adopting its results.

SECTION I. Measuring the Benefits of Free Trade with the Harris Model

The Harris model has 29 industries, 20 manufacturing industries (treated as potentially non-competitive in the full version of the model) and 9 other sectors treated as competitive at the world rental rate. The model is a real trade model of a small open economy with one fixed factor, labour, and one internationally mobile factor, capital services; both are mobile between industries and firms. Industries divide a priori into those which are competitive and constant cost, and those which are non-competitive increasing returns industries. The models allow scale economies, and also allows for multi-product firms choosing the set of products to produce. In this case there are decreasing costs at the level of the plant for a given set of product lines, and there are economies of scale to longer production runs, or equivalently diseconomies to having a larger number of product lines within a given plant. In each non-competitive industry, with product differentation, products produced by different firms are imperfect but close substitutes. Likewise, foreign and domestic goods in any industry are imperfect substitutes. For this and other reasons intra-industry trade is a characteristic of the model.

The economy is presumed to be a price taker in its import markets and a price maker in export markets; an "almost" small open economy (henceforth S.O.E). Domestically produced goods are used in both final demand (domestic and foreign) and as intermediate inputs. All factor markets are competitive with rental capital in infinitely elastic supply at the world rental rate. In competitive industries

constant returns is assumed so price must equal unit cost.

Much of the novelty of the model is with respect to the treatment of the firm in non-competitive industries. in the model all products within an industry are viewed as symmetric imperfect substitutes. In both models all firms have access to the same technology, and each industry consists of some number of representative firms. The firm produces a set of representative industry products, and chooses a representative price for each product. Quantity sold is demand determined once the firm sets price. The firm sets its price by marking up on unit variable cost. Two alternative pricing hypotheses are used. One uses a Negishi perceived demand curve approach. The firm has a perceived constant elasticity demand curve which determines the optimal markup (monopolistic pricing hypotheses - MPH). The other is a type of collusive pricing hypotheses proposed by Eastman and Stykolt. The domestic price within an industry is set equal to foreign price of the industries import competing good plus tariff as a collusive focal point. In the simulations actual price is set taking a weighted average of the monopolistic price and Eastman-Stykolt price.

In the model it is assumed foreign importers match in percentage terms any changes in domestic product differentiation. This assumption of competitive foreign product differentiation (CFPD), or something analogous to it is required in a S.O.E. model with an otherwise exogenous foreign sector. The reason is that increasing domestic relative to foreign product differentiation squeezes out foreign imports at constant industry terms of trade.

Firms enter and exit in response to pure profits and losses (free entry/exit assumption). The only entry barriers are fixed costs. Equilibrium at the industry level requires that all firms make (approximately) zero profits. Under MPH a "true elasticity" and perceived elasticity are required to be equal. With product differentiation, firms also choose the profit maximizing number of product lines. This type of equilibrium at the partial equilibrium level is analogous to the Cournot-Chamberlain equilibrium.

A general equilibrium results when all industries are in equilibrium, all product and factor markets clear, and the balance of payments is in equilibrium. Balance of payments equilibrium is current account balance, or trade surplus equal to rental payments on foreign owned capital. All tax and tariff revenue is returned to consumers in a non-distorting manner.

In each case the models were scaled to a 1976 Canadian data set, together with extraneous econometric estimates on various elasticities. The policy simulations reported by Harris involves a multilateral cut of all tariffs (and N.T.B. ad valorem equivalents), foreign and domestic, (MFT). These tariffs were those in place in 1976. Table 1 shows the industry competition factors for the non-competitive and competitive model. The industry factors represent the proportional change in the industry output from the original output levels. For example, under the food and beverage industry with the imperfect competition model, output would increase by 29.07 percent. Under the competitive model, this industry would only increase by .77 percent!

TABLE 1

Industry Competition Factors
Harris Model
Multilateral Free Trade

INDUSTRY COMPETITION FACTORS — MANUFACTURING

INDUSTRY	IMPERFECT COMPETITION	PERFECT COMPETITION
FOOD & BEVERAGE	0.290700	0.007700
TOBBACCO	0.317800	-0.086900
RUBBER AND PLASTIC	0.427600	0.048000
LEATHER	-0.131400	-0.384800
TEXTILES	0.941700	0.574100
KNITTING MILLS	0.067400	-0.394500
CLOTHING	0.684200	-0.209300
WOOD	0.118000	0.046100
FURNITURE & FIXTURES	-0.183700	-0.290300
PAPER AND ALLIED PRODUCTS	0.957800	0.916200
PRINTING AND PUBLICATION	0.342300	0.190000
PRIMARY METALS	0.375300	0.070900
METAL FABRICATION	0.226100	-0.186300
MACHINERY	-0.070300	-0.186300
TRANSPORTATION EQUIPMENT	1.218400	0.372700
ELECTRICAL PRODUCTS	0.019000	-0.179900
NON-METALIC MINERAL PROD.	0.252100	0.017200
PETROLEUM AND COAL	0.259600	0.182000
CHEMICAL PRODUCTS	0.288500	0.126500
MISC. MANUFACTURING	-0.104600	-0.284200
	GROSS DOMESTIC PRODUCT	
AGRICULTURE	0.606300	0.521000
FORESTRY	0.312300	0.359200
FISHING	0.321400	0.247200
MINING	0.284600	0.268300
CONSTRUCTION	0.040400	0.012900
TRANSPORTATION	0.015200	0.024900
COMMUNICATION	0.023700	0.010600
ELECTRIC POWER AND GAS	0.172800	0.103300
OTHERS LESS MFG.	0.062300	0.030900

Table 2 provides the results of applying the Harris model industry factors to the Nova Scotia economy with a 1976 data base. The table also shows the corresponding results for the Atlantic Provinces as reported by Tremblay [8] . It is clear from Table 2 that the Harris non-competitive model provides a much greater impact for free trade than does the competitive model. Under the competitive model, manufacturing shipments increase by 22.8 percent under the non-competitive model manufacturing shipments increase by 47.3 percent. Gross domestic product (excluding manufacturing) increases by 5.4 percent under the competitive model and 8.8 percent under the non-competitive model. Assuming constant employment to output ratios, the competitive model estimates that manufacturing employment and gross domestic product (less manufacturing) employment will increase by 13.3 percent and 5.95 percent respectively. The non-competitive model estimates that manufacturing employment will increase by 44.1 percent and gross domestic product (less manufacturing) employment will increase by 9.33 percent.

Over time the size of the various industries change. To get an appreciation of how our results would change due to the changing composition of industry, we solved the Harris model for the years 1978 to 1982. The summary results are provided in Table 3. Table 3 shows the change in output levels for each year for total manufacturing and Gross Domestic Product (excluding manufacturing). Table 3 reveals that the Harris model results don't change much over time. The percentage changes (over actual levels) in manufacturing shipments differ by 12.95 percent in the imperfect competition model and by 2.79

TABLE 2

Multilateral Free Trade Impact

Manufacturing and Resource Sector

YEAR 1976 Production (000's$)	Original Output Levels		Output Levels Imperfect Competition Model		Output Levels Perfect Competition Model	
	N.S.	ATL. PROV.	N.S.	ATL. PROV.	N.S.	Atl. Prov.
Food and Beverage	463.2	1272 075	597.85	1641 876	466.77	1281 870
Tobacco						
Rubber & Plastic						
Leather						
Textiles	28.0		54.37		44.07	
Knitting Mills						
Clothing	2.83		4.77		2.24	
Wood	67.52	221 454	75.49	247 785	70.63	231 663
Furniture & Fixtures	9.75	23 786	7.96	19 417	6.92	16 881
Paper & Allied Products	222.7		436.0		426.74	
Printing & Publication	37.77	83 041	50.7	111 466	44.95	98 819
Primary Metals						
Metal Fabricating	45.87		56.24		37.32	
Machinery		22 455		20 878		18 272
Transportation Equip.	205.5		455.88		282.09	
Electrical Products	29.0	62 548	29.55	63 736	23.78	51 296
Non-Metallic Min. Prod	34.25	108 742	42.88	136 156	34.84	110 612
Petroleum & Coal	517.6		651.97		611.80	
Chemical Products	47.02		60.59		52.97	
Misc. Manufacturing	7.64	27 253	6.84	24 402	5.47	19 508
Agriculture	63.1	341 180	101.36	548 037	95.98	518 934
Forestry	18.2	291 572	23.88	362 630	24.74	396 304
Fishing	69.6	419 219	91.97	553 956	86.61	522 849
Mining	80.5	1002 049	103.41	1287 232	102.1	1270 898
Construction	318.8	2586 015	331.68	2690 490	322.91	2619 374
Transportation						
Communication						
Electric Power and Gas	87.2		102.27		96.21	
Others Less Mfg.	2431.7		2583.19		2506.84	
Total Mfg.	1718.65		2531.09		2110.59	
Total GDP Less Mfg. GDP	3069.1		3337.76		3235.58	
Employment (000's)						
Total Mfg	30104.00		43368.29		34118.88	
Total GDP less Mfg GDP	256376.00		280303.6		271621.5	

Source: Rodrique Trembley "The Regional Impact in Canada of Free Trade" The Canadian Journal of Regional Science Volume VIII No. 1 Spring 1985.

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TABLE 3

Comparison of Free Trade Models
1978 - 1982
Nova Scotia

Imperfect Competition Model

	Percent Increase Over Actual Levels				
	1978	1979	1980	1981	1982
Manufacturing Shipments	42.62	44.35	45.99	55.57	50.87
Employment	47.14	48.94	47.81	49.48	45.25
Gross Domestic Product[1] Output	9.62	9.49	9.49	9.30	9.24
Employment	9.29	8.80	9.11	9.12	9.10

Note. 1 excludes manufacturing

Perfect Competition Model

	Percent Increase Over Actual Levels				
	1978	1979	1980	1981	1982
Manufacturing Shipments	21.27	21.38	22.59	24.06	21.58
Employment	18.18	18.03	17.04	17.36	15.70
Gross Domestic Product[1] Output	6.16	6.05	6.04	5.86	5.80
Employment	5.77	5.61	5.92	5.92	5.94

Note. 1 excludes manufacturing

percent in the perfect competition model. The percentage changes in manufacturing employment differ by 4.23 percent and 2.48 percent in the imperfect and perfect competition models respectively. The gross domestic product figures for output vary by only .38 percent with imperfect competition and .36 percent with perfect competition. The GDP employment figures vary by .49 percent and .33 percent respectively. Appendix II provides detailed changes by industry for output and employment. The appendix reports level, absolute change and percent change and compares each model relative to the existing industry output and employment as well as to each model.

Section II. Discussion of the Results

One must use caution in adopting the results of the Harris model to quickly. The model, although more realistic than its predecessors, still represents a very crude approximation to reality. In this exercise, we have taken a national model and applied it to a region of the country. Clearly, parameter estimation at the national level is not directly translatable to the region. Furthermore, Harris reports that the models results are fairly sensitive to the parameter specification. A second concern is that the results reported by Harris are based on 1976 data. The level of tarriff protection has eased since then. One study has the average nominal tarriff across imports from the U.S. at 8.5 percent in 1976 and reducing to 6.1 percent by 1987. (See [9] for details). Lastly, one of the main reasons that Harris reports significant gains from trade is because within a particular industry free trade allows rationalizatiion to

fewer firms and fewer products. With fewer firms, the remaining firms can produce at lower points on their average cost curves and hence lower prices and increase demand. If this rationalization does not occur proportionately as assumed by Tremblay [8] and this study, then the results will be less valid. If, say Nova Scotia had relatively more 'weak' firms then it would receive relatively less of the free trade benefits.

Finally, although the actual numerical results of the Harris model must be used cautiously, one should consider the results very important to the free trade debate. The Harris model says that the gains to the Canadian economy are likely to be very significant. The model also offers advice to entrepreneurs in securing these trade benefits i.e. by specializing in larger plants and fewer product lines. To test whether the results hold for the Nova Scotia economy a Harris type model could be developed for several of the province's major industries e.g. fish processing etc. Given limited resources, we adopted the second best approach of applying the Harris model results to Nova Scotia's industry mix to see how the results varied under the province's mix. The strong positive results of the national model hold up Nova Scotia's industry mix.

We have developed the Harris model on a floppy disk for IBM compatible machines. The disk is provided as part of this report.

Appendix I

Benefits Of Free Trade

Appendix I.

This appendix sets out the traditional measures of free trade benefits i.e. "economic welfare" in the sense of the potential degree of satisfaction of the material wants of the residents of the country (or region). In the words of W.M. Corden: "Broadly, the objective must be to compare the welfare derived from a situation of completely free trade with that derived from the existing protective situation. The excess cost of protection is the extent to which welfare under free trade exceeds welfare under protection."

Given "economic welfare" is what we want to measure, how can we proceed to measure it? Every economist is familiar with the conceptual problems involved in evaluating changes in economic welfare, although few have attempted to wrestle with the equally perplexing problems posed by available data. Perhaps the short answer from distilled theoretical reasoning and experience is that the problem is very difficult in theory and impossible in practice. Nonetheless, we must attempt some evaluation if we are to argue the merits of free trade, and particularly if we want to weigh the gains from free trade against the costs in the form of disruptions that might be caused.

The approach that is usually adopted rests on the concepts of consumer and producer surplus. These concepts involve an assumption that we can ignore consequences for income distribution (and the level of employment).

Also, that we can add together consumer and producer surpluses from different products, ignoring possible interdependencies among products in demand and supply conditions as well as the possibility of diminishing marginal utility of income as income rises. We are concerned with gains both from the removal of domestic tarriffs and from the removal of relevant foreign tarrifs. The analysis is "static." It takes as given population, consumer demands, and the basic conditions of production.

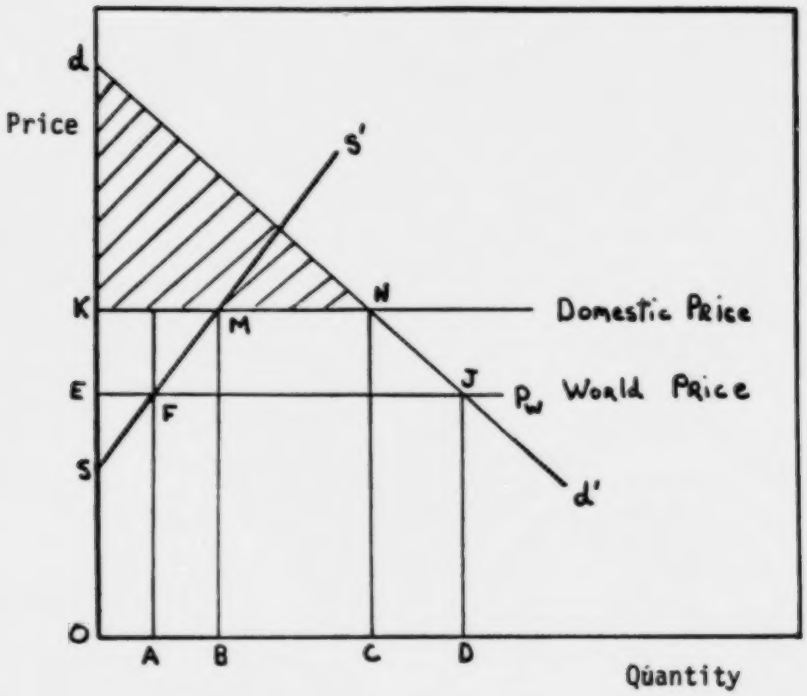
IMPORTS FOR CONSUMPTION

Four effects of removing protective tariffs on importable consumer goods are commonly identified in the literature--a transfer effect, a production effect, a consumption effect, and a terms-of-trade effect. While we are concerned with these effects in relation to imports as a whole, they are most clearly identified with respect to a single industry in isolation. For this purpose, consider Figure 1.

Consumer Surplus. This figure is a familiar supply and demand diagram, of a type commonly used in "Principles of Economics" courses. The line dd′ represents the willingness of consumers resident in the country in question to purchase the commodity at alternative possible prices. It is the demand curve. The supply curve, ss′, correspondingly represents the willingness of an assumed competitive industry in the economy to produce the product at alternative possible

FIGURE 1

Consumer Surplus and Free Trade



prices. Underlying the supply curve are cost conditions in the industry, the prices of inputs into the production process, and the technology of producing the product. Since the prices of inputs presumably reflect their value in other possible employments, this curve is assumed to reflect the cost of production in the sense of the value of other output foregone as a result of employing the factors of production in this industry.

We assume that the world price of the product (P_w) can be taken as given and will be unaffected by changes in this country's demand for imports from the rest of the world--that is, that the world-supply curve is perfectly elastic. This price can be represented on Figure 1

by the vertical distance OE. A horizontal line has been drawn at this price and labeled P_w. The domestic price will then be world price plus the tariff, assuming that some quantity of the product is imported from the rest of the world. The domestic price is represented on the chart by the vertical distance OK. At this price, domestic producers will produce a quantity of output equal to the horizontal distance OB (=KM) in Figure 1, and total consumer demand will be equal to OC (=KN). The difference between consumption and domestic production will be imports, represented by the distance BC(=MN). If the tariff were removed and the world price prevailed, consumption would expand along the demand curve to OD (=EJ), of which a smaller amount OA (=EF) would be supplied out of local production and a larger amount AD(=FJ) out of imports.

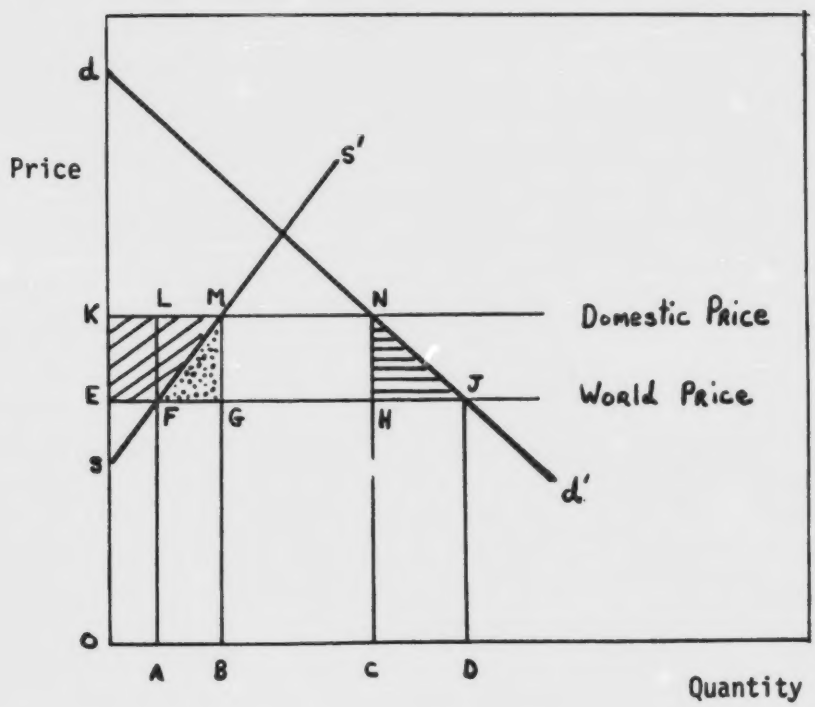
Given these circumstances we can take, as a measure of the subjective value to consumers of consuming a given quantity of this commodity (say OD, at the free world price OE), the area under the demand curve cut off by that quantity of the commodity. That is, at the free-trade price the area OdJD would represent the total satisfaction value derived by the consumers of the product. Their cost of acquiring this commodity (the value of the satisfaction foregone by not consuming other items) is the total expenditure to purchase that quantity--that is, the area OEJD (price X quantity). The area under the demand curve above this (EdJ) is "consumer surplus," the value of the net benefit over cost to the consumer. To measure the net gain to consumers of the product as a result of removing tariffs, we want a measure of the increase in consumer

surplus. Inspection of the figure reveals that this is the area EKNJ--that is, the difference between consumer surplus at the protected price (KdN) and at the free-trade price (EdJ).

In applying the concept of consumer surplus to the measurement of the gains from trade, we are assuming that the analysis applied to a single small industry can be applied (approximately) to all imports considered as a single aggregate commodity. Figure 2, on this

FIGURE 2

Gains From Free Trade: Imports



assumption, duplicates Figure 1, with different areas shaded in order to dissect the increase in consumer surplus into several component parts and so to identify the various effects of free-trade.

Transfer effects. The entire increase in consumer surplus, while a net gain to the consumers of imports, is not a net gain to the residents of the country as a whole. Part of it reflects a net transfer of benefits to consumers of imports from the domestic producers of competing products on the one hand and from the government (and hence all residents) on the other.

The second of these transfers is relatively easy to identify. To the extent that some imports occur with protective tariffs, the tariff will serve as a tax, and the government will collect revenue from this source. The amount of revenue will be the per unit tariff times the volume of imports, or the area GMNH of Figure 2. Needless to say, if the tariff were high enough to exclude all imports (or if non-tariff barriers to trade were employed), this revenue would not be forthcoming, and this transfer effect would not exist.

This amount is a pure transfer from consumers of imports to the government. It is not a net cost to the community as a whole (if customs revenues were not collected, the revenues would come from other taxes), and it must be deducted from the increase in consumer surplus in order to measure the net economic gain from free trade.

The other transfer is more subtle and more difficult to identify. With protection, the total revenue of import-competing industries would be OKMB. This is the price of the imported product times the quantity produced and sold domestically. However, the true cost in

the sense of the value of these resources in alternative employments is less than this--it is the area under the supply curve, OSMB. The area above the supply curve, SKM, is "producer surplus"--a payment to the factors of production over and above that required to keep them employed in that industry. It will normally accrue as rent on scarce factors of production, such as land.

As a result of free trade, producer surplus is reduced from SKM to SEF, a reduction equivalent to the area EKMF. This is a net transfer of surplus from producers to consumers and hence is not a net gain to the community. It also must be deducted in measuring the net economic gain from free trade.

Production and consumption effects. Deduction of these two transfers, from producers and from government, leaves the two triangles FMG and HNJ as the measure of the true net gain to the community as a result of free trade. This is a very much smaller gain that the total increase in consumer surplus. Corden refers to them, respectively, as the production effect (FMG) and the consumption effect (HNJ). The former represents the cost to the economy (in the sense of the value of alternative output foregone) of employing resources in producing the protected output (=AB), and the latter the cost to the economy, in the sense of satisfactio· foregone, cf not increasing consumption of these commodities.

Clearly, the magnitude of these costs, for any given level of tariffs, depends on the shapes of the supply and demand curves. If the supply curve is very flat (highly elastic), the production cost will be larger; if the demand curve is relatively flat (highly

elastic), the consumption cost will be larger. The cost of protection will thus vary directly with three variables--the height of the tariff and the elasticities of the supply and demand curves.

Following Harberger, and accepting common estimates of supply and demands elasticities, Johnson concludes on a priori grounds that:

> ... the production and consumption cost of protection taken as a proportion of national expenditure, is likely to be low ...[because] ... tariff rates in force are almost invariably fractions, usually running below 50 percent, and ... statistical estimates of elasticities of both consumption and import demand have generally produced low figures. ...If the cost is not low, this is likely to be attributable to production cost rather than to consumption cost.

This is consistent with the Brigden and Young estimates, although, for reasons that need not detain us at this point, both Johnson and Corden argue that even these low estimates are overestimates. They clearly have in mind a net cost of the tariff below the range of 3-6 percent of national expenditure.

Terms-of-trade effect. As we noted above, this approach to the identification of the gains from free trade is not fully satisfactory for various reasons. One of these reasons is that it ignores what has been called the terms-of-trade effect.

It is well known that a country that has some monopoly power in world markets, either as a buyer or as a seller, may be able to use tariffs to improve its terms of trade--that is, to raise the price of its exports relative to the price of its imports (or vice versa). Thus a tariff may raise the nation's income. If so, reversion to free trade will produce a loss of income not allowed for in this analysis. In effect, the world price of imports will rise, reducing both the production cost and the consumption cost of the tariff. This is

another reason why Johnson and Corden argue that the cost of the tariff will be low in most cases.

We can probably ignore any direct impact on world prices of goods that Canada imports on grounds that we are dealing with relatively small quantities in large world markets. Young adduces another agrument for asserting that the terms-of-trade effect will likely be small and unpredictable as to direction. He argues that, in reality, any reduction in the Canadian tariff would be associated with a reciprocal reduction of tariffs by Canada's major trading partners. Any unfavourable movement in Canada's terms of trade as a result of the removal of Canada's tariffs will offset to some unknown degree by an improvement in the effective terms of trade as a result of the reduction in foreign tariffs. Indeed, the net result of the reciprocal removal of both Canadian and foreign tariffs could be a favourable movememt in terms of international trade, with a consequent additional increase in the net gains from free trade. Since we are considering the effects of free trade in the context of the reciprocal removal of tariffs in the North Atlantic Community, this is an argument that merits further attention.

Rather than attempting to incorporate the effects of the removal of foreign tariffs, it seems more appropriate to deal with them separately.

EXPORTS

An analysis of the effects of removing foreign tariffs against Canadian exports is presented in Figure 3. To some extent the

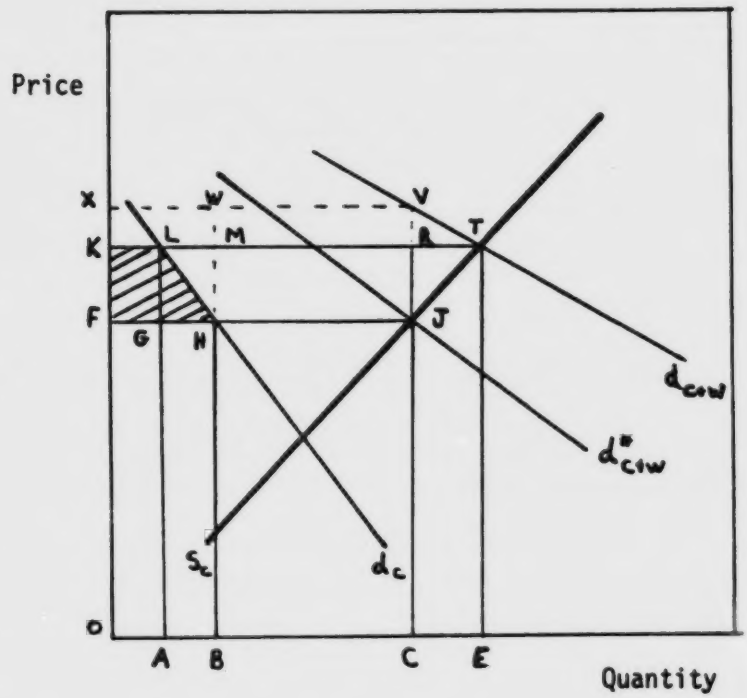
analysis is parallel to that presented for imports. Thus, the curve s_c is the Canadian supply curve for the export products, and d_c is the corresponding Canadian demand curve for these products. At this point, however, the analysis departs somewhat from that presented for imports. It does not take the world price as given. The foreign demand curve for Canadian exports is not taken as perfectly elastic, but rather as something less than perfectly elastic. This allows for terms-of-trade effects that were not admitted in the analysis of imports.

There are two-world-demand curves on Figure 3. The curve labelled d_{c+w} is the sum of Canadian and foreign demands for the product in the market, and the curve d^*_{c+w} is the same demand curve with the foreign tariff deducted from the market price at each possible quantity. It is the total world demand as seen by Canadian firms--that is, in terms of the net return to them after deducting the tariff from the price paid by foreign consumers.

Prior to the establishment of free trade, the net return per unit to Canadian suppliers would be OF (=CJ). It is assumed that competition guarantees that this price will prevail within the country as well. With the removal of foreign tariffs, the net return to Canadian producers will rise to OK (=ET), the quantity of exports will rise from BC (=HJ) to AE (=LT), and the quantity of domestic consumption will fall from OB (=FH) to OA (=KL).

FIGURE 3

Gains From Free Trade: Exports



It is clear from this analysis that there will be both a gain in producer surplus and a loss of consumer surplus. That is, part of the total gain in producer surplus (=FKTJ) is a transfer from domestic consumers (loss of consumer surplus = FKLH), and part is a net gain of income to the community (HLTJ). The net gain depends in a rather comple fashion on the volume of exports, the height of the world tariff, and the elasticities of supply and of domestic and world demand.

MEASURING THE NATIONAL GAINS FROM FREE TRADE

As a first approximation, the gains from free trade will be the sum of the production and consumption effects with respect to imports

and the net gain of producer surplus on account of exports. It is important to stress that this is a first approximation. Even if we could accurately measure the relevant surpluses separately, it is far from obvious that we can simply add the two together. As we noted earlier, the whole approach rests on theoretical grounds, but we have chosen to ignore this for pragmatic reasons.

But the problems of measurement are not solved by dismissing the theoretical objections to our approach. Even the data required to satisfy this partial approach cannot be obtained. We must ask, what can the researcher realistically expect to measure?

Consider first the problem of measuring the gains on the import side. Measurement of the production effect requires information not only on the volume of protected output (AB in Figure 2), but also on the elasticity of supply. The latter figure is unlikely to be available, although it may be possible to establish likely limits to its magnitude on a priori grounds. Similarly, the measurement of the consumption effect requires information on the elasticity of demand, which is also likely to be lacking.

In the face of these complications, Young chose to estimate the "excess cost" of protected production (FLMG on Figure 2), a figure that Young refers to as the "cash cost" of tariff. He argued that it was probably an underestimate of the true economic cost (largely because it ignores the gains from foreign tariff reductions assumed to be associated with Canadian reductions). Other commentators have argued that it was probably an overestimate, partly because it did not allow for terms-of-trade effects and partly because the production

transfer was not deducted. Whether it is an overestimate or an underestimate cannot be said a priori. Even ignoring the export side and the terms-of-trade effect, it depends on whether FLM is greater or less than HNJ, and their relationship is very uncertain.

We can conclude then, that considering the import side alone, the Young measure of "cash cost" is a feasible but very imperfect estimate of the true economic cost of protection. We cannot say whether it will be an underestimate or an overestimate. What is measurable on the export side?

The counterpart of the Young estimate of the cash cost of the tariff on the import side might be the "lost revenue" on exports. This would be calculated by revaluing Canadian exports (=BC in Figure 3) at world prices (=OX = CV) rather that at the net return to Canadian exporters. Deducting the actual return (=BHJC) from the revalued exports (=BWVC) leaves a "lost revenue" estimate of HWVJ. If the world price remained fixed, this would produce an underestimate of the true economic cost because of the contraction of domestic consumption and the expansion of exports not allowed for in the calculation. If, as in Figure 3, the world market price is allowed to fall (the terms-of-trade effect), we cannot be certain that it is an underestimate. The true economic cost would be the equivalent of the area HLTJ. Whether the "lost revenue" is a good estimate of this depends on the relationship of the area MWVR to the sum of the areas HLM and JRT. Again, we have no basis in fact for assessing the relative magnitudes involved.

What, then, can we conclude about the problem of measuring the

potential gains from free trade at the national level?

There are two feasible measures, the "cash cost" of the tariff and the "lost revenue" from exports. They can be summed to estimate the total gain from free trade. However, each is a grossly imperfect measure which may either underestimate or overestimate the true economic gains, and there is no certain way of estimating either the magnitude or the direction of the error.

Appendix II

Detailed Industry Effects

Multilateral Free Trade

Nova Scotia Economy

SUMMARY OUTPUT TOTALS

MANUFACTURING CATAGORIES SHIPMENTS (MILLIONS)

YEAR	78	79	80	81	82
ORIGINAL LEVEL	2231.31	2747.88	2963.09	2447.82	2224.62
IMPERFECT COMPETITION	3182.32	3966.46	4325.69	3807.99	3356.29
PERFECT COMPETITION	2705.91	3335.33	3632.42	3036.85	2704.63

GROSS DOMESTIC PRODUCT LESS MFG. GDP. (MILLIONS)

YEAR	78	79	80	81	82
ORIGINAL LEVEL	3718.50	4143.40	4482.60	5090.10	5566.50
IMPERFECT COMPETITION	4076.17	4536.80	4908.18	5563.33	6081.04
PERFECT COMPETITION	3947.63	4394.01	4753.41	5388.33	5889.61

SUMMARY EMPLOYMENT TOTALS

MANUFACTURING CATAGORIES (NUMBER)

YEAR	78	79	80	81	82
ORIGINAL LEVEL	26996.00	30202.00	31112.00	30777.00	27371.00
IMPERFECT COMPETITION	39722.08	44984.35	45987.68	46004.32	39755.93
PERFECT COMPETITION	31904.74	35647.07	36415.12	36119.28	31668.37

GROSS DOMESTIC PRODUCT LESS MFG. GDP. (NUMBER)

YEAR	78	79	80	81	82
ORIGINAL LEVEL	239714.00	242504.00	250926.00	252416.00	250983.00
IMPERFECT COMPETITION	261455.10	263838.00	273780.60	275428.50	273824.60
PERFECT COMPETITION	253535.60	256104.90	265780.70	267370.40	265893.00

ORIGINAL OUTPUT LEVELS

MANUFACTURING SHIPMENTS (MILLIONS)

YEAR	78	79	80	81	82
FOOD & BEVERAGE	661.70	767.30	857.80	951.50	1002.90
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	45.87	72.93	74.78	90.15	72.88
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	2.71	N/A	3.76	5.16	6.15
WOOD	85.90	91.50	86.80	92.70	77.19
FURNITURE & FIXTURES	8.80	8.50	10.10	13.10	10.87
PAPER AND ALLIED PRODUCTS	281.40	315.50	398.70	428.01	367.22
PRINTING AND PUBLICATION	47.50	55.40	65.30	75.50	75.92
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	69.10	86.10	82.60	115.40	94.87
MACHINERY	N/A	N/A	17.73	15.75	12.29
TRANSPORTATION EQUIPMENT	158.60	248.80	280.60	385.10	254.20
ELECTRICAL PRODUCTS	47.90	47.70	52.40	55.70	45.81
NON-METALIC MINERAL PROD.	43.90	54.10	54.90	64.90	55.11
PETROLEUM AND COAL	768.34	855.35	823.66	N/A	N/A
CHEMICAL PRODUCTS	N/A	133.30	141.86	140.95	134.84
MISC. MANUFACTURING	9.59	11.40	12.10	13.90	14.37

GROSS DOMESTIC PRODUCT

AGRICULTURE	89.30	94.40	109.10	114.80	124.20
FORESTRY	28.30	29.40	27.40	30.10	29.50
FISHING	140.80	157.70	160.90	183.30	180.30
MINING	106.60	113.80	123.10	123.50	141.20
CONSTRUCTION	343.90	350.00	392.80	412.20	438.10
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	160.20	163.50	177.90	183.00	219.90
OTHERS LESS MFG.	2849.40	3234.60	3491.40	4043.20	4433.30
TOTAL MFG. CATAGORIES	2231.31	2747.88	2963.09	2447.82	2 24.62
TOTAL GDP. LESS MFG. GDP.	3718.50	4143.40	4482.60	5090.10	5566.50

IMPERFECT COMPETITION SCENARIO

MANUFACTURING SHIPMENTS (MILLIONS)

YEAR	78	79	80	81	82
FOOD & BEVERAGE	854.06	990.35	1107.16	1228.10	1294.44
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	89.07	141.61	145.20	175.04	141.51
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	4.56	N/A	6.33	8.69	10.36
WOOD	96.04	102.30	97.04	103.64	86.30
FURNITURE & FIXTURES	7.18	6.94	8.24	10.69	8.87
PAPER AND ALLIED PRODUCTS	550.92	617.69	780.57	837.96	718.94
PRINTING AND PUBLICATION	63.76	74.36	87.65	101.34	101.91
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	84.72	105.57	101.28	141.49	116.32
MACHINERY	N/A	N/A	16.48	14.64	11.43
TRANSPORTATION EQUIPMENT	351.84	551.94	622.48	854.31	563.92
ELECTRICAL PRODUCTS	48.81	48.61	53.40	56.76	46.68
NON-METALIC MINERAL PROD.	54.97	67.74	68.74	81.26	69.00
PETROLEUM AND COAL	967.80	1077.40	1037.48	N/A	N/A
CHEMICAL PRODUCTS	N/A	171.76	182.79	181.61	173.74
MISC. MANUFACTURING	8.59	10.21	10.83	12.45	12.87

GROSS DOMESTIC PRODUCT

AGRICULTURE	143.44	151.63	175.25	184.40	199.50
FORESTRY	37.14	38.58	35.96	39.50	38.71
FISHING	186.05	208.38	212.61	242.21	238.25
MINING	136.94	146.19	158.13	158.65	181.39
CONSTRUCTION	357.79	364.14	408.67	428.85	455.80
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	187.88	191.75	208.64	214.62	257.90
OTHERS LESS MFG.	3026.92	3436.12	3708.91	4295.09	4709.49
TOTAL MFG. CATAGORIES	3182.32	3966.46	4325.69	3807.99	3356.29
TOTAL GDP. LESS MFG. GDP.	4076.17	4536.80	4908.18	5563.33	6081.04

PERFECT COMPETITION SCENARIO

MANUFACTURING SHIPMENTS (MILLIONS)

YEAR	78	79	80	81	82
FOOD & BEVERAGE	666.80	773.21	864.41	958.83	1010.62
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	72.20	114.80	117.71	141.91	114.72
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	2.14	N/A	2.97	4.08	4.86
WOOD	89.86	95.72	90.80	96.97	80.75
FURNITURE & FIXTURES	6.25	6.03	7.17	9.30	7.71
PAPER AND ALLIED PRODUCTS	539.22	604.56	763.99	820.15	703.67
PRINTING AND PUBLICATION	56.53	65.93	77.71	89.85	90.34
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	56.23	70.06	67.21	93.90	77.20
MACHINERY	N/A	N/A	14.43	12.82	10.00
TRANSPORTATION EQUIPMENT	217.71	341.53	385.18	528.63	348.94
ELECTRICAL PRODUCTS	39.28	39.12	42.97	45.68	37.57
NON-METALIC MINERAL PROD.	44.66	55.03	55.84	66.02	56.06
PETROLEUM AND COAL	908.18	1011.02	973.57	N/A	N/A
CHEMICAL PRODUCTS	N/A	150.16	159.81	158.78	151.90
MISC. MANUFACTURING	6.86	8.16	8.66	9.95	10.29

GROSS DOMESTIC PRODUCT

AGRICULTURE	135.83	143.58	165.94	174.61	188.91
FORESTRY	38.47	39.96	37.24	40.91	40.10
FISHING	175.61	196.68	200.67	228.61	224.87
MINING	135.20	144.33	156.13	156.64	179.08
CONSTRUCTION	348.34	354.52	397.87	417.52	443.75
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	176.75	180.39	196.28	201.90	242.62
OTHERS LESS MFG.	2937.45	3334.55	3599.28	4168.13	4570.29
TOTAL MFG. CATAGORIES	2705.91	3335.33	3632.42	3036.85	2704.63
TOTAL GDP. LESS MFG. GDP.	3947.63	4394.01	4753.41	5388.33	5889.61

DIFFERENCE (LEVEL MM) IMPERFECT COMPETITION - ORIGINAL LEVELS MFG. SHIPMENTS

YEAR	78	79	80	81	82
FOOD & BEVERAGE	192.36	223.05	249.36	276.60	291.54
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	43.20	68.68	70.42	84.89	68.63
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	1.85	N/A	2.57	3.53	4.21
WOOD	10.14	10.80	10.24	10.94	9.11
FURNITURE & FIXTURES	-1.62	-1.56	-1.86	-2.41	-2.00
PAPER AND ALLIED PRODUCTS	269.52	302.19	381.87	409.95	351.72
PRINTING AND PUBLICATION	16.26	18.96	22.35	25.84	25.99
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	15.62	19.47	18.68	26.09	21.45
MACHINERY	N/A	N/A	-1.25	-1.11	-0.86
TRANSPORTATION EQUIPMENT	193.24	303.14	341.88	469.21	309.72
ELECTRICAL PRODUCTS	0.91	0.91	1.00	1.06	0.87
NON-METALIC MINERAL PROD.	11.07	13.64	13.84	16.36	13.89
PETROLEUM AND COAL	199.46	222.05	213.82	N/A	N/A
CHEMICAL PRODUCTS	N/A	38.46	40.93	40.66	38.90
MISC. MANUFACTURING	-1.00	-1.19	-1.27	-1.45	-1.50
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	54.14	57.23	66.15	69.60	75.30
FORESTRY	8.84	9.18	8.56	9.40	9.21
FISHING	45.25	50.68	51.71	58.91	57.95
MINING	30.34	32.39	35.03	35.15	40.19
CONSTRUCTION	13.89	14.14	15.87	16.65	17.70
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	27.68	28.25	30.74	31.62	38.00
OTHERS LESS MFG.	177.52	201.52	217.51	251.89	276.19
TOTAL MFG. CATAGORIES	951.01	1218.58	1362.60	1360.17	1131.67
TOTAL GDP. LESS MFG. GDP.	357.67	393.40	425.58	473.23	514.54

DIFFERENCE (PERCENT) IMPERFECT COMPETITION - ORIGINAL LEVELS MFG. SHIPMENTS

YEAR	78	79	80	81	82
FOOD & BEVERAGE	29.07	29.07	29.07	29.07	29.07
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	94.17	94.17	94.17	94.17	94.17
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	68.42	N/A	68.42	68.42	68.42
WOOD	11.80	11.80	11.80	11.80	11.80
FURNITURE & FIXTURES	-18.37	-18.37	-18.37	-18.37	-18.37
PAPER AND ALLIED PRODUCTS	95.78	95.78	95.78	95.78	95.78
PRINTING AND PUBLICATION	34.23	34.23	34.23	34.23	34.23
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	22.61	22.61	22.61	22.61	22.61
MACHINERY	N/A	N/A	-7.03	-7.03	-7.03
TRANSPORTATION EQUIPMENT	121.84	121.84	121.84	121.84	121.84
ELECTRICAL PRODUCTS	1.90	1.90	1.90	1.90	1.90
NON-METALIC MINERAL PROD.	25.21	25.21	25.21	25.21	25.21
PETROLEUM AND COAL	25.96	25.96	25.96	N/A	N/A
CHEMICAL PRODUCTS	N/A	28.85	28.85	28.85	28.85
MISC. MANUFACTURING	-10.46	-10.46	-10.46	-10.46	-10.46
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	60.63	60.63	60.63	60.63	60.63
FORESTRY	31.23	31.23	31.23	31.23	31.23
FISHING	32.14	32.14	32.14	32.14	32.14
MINING	28.46	28.46	28.46	28.46	28.46
CONSTRUCTION	4.04	4.04	4.04	4.04	4.04
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	17.28	17.28	17.28	17.28	17.28
OTHERS LESS MFG.	6.23	6.23	6.23	6.23	6.23
TOTAL MFG. CATAGORIES	42.62	44.35	45.99	55.57	50.87
TOTAL GDP. LESS MFG. GDP.	9.62	9.49	9.49	9.30	9.24

DIFFERENCE (LEVEL MM) PERFECT COMPETITION - ORIGINAL LEVEL MFG. SHIPMENTS

YEAR	78	79	80	81	82
FOOD & BEVERAGE	5.10	5.91	6.61	7.33	7.72
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	26.33	41.87	42.93	51.76	41.84
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	-0.57	N/A	-0.79	-1.08	-1.29
WOOD	3.96	4.22	4.00	4.27	3.56
FURNITURE & FIXTURES	-2.55	-2.47	-2.93	-3.80	-3.16
PAPER AND ALLIED PRODUCTS	257.82	289.06	365.29	392.14	336.45
PRINTING AND PUBLICATION	9.03	10.53	12.41	14.35	14.42
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	-12.87	-16.04	-15.39	-21.50	-17.67
MACHINERY	N/A	N/A	-3.30	-2.93	-2.29
TRANSPORTATION EQUIPMENT	59.11	92.73	104.58	143.53	94.74
ELECTRICAL PRODUCTS	-8.62	-8.58	-9.43	-10.02	-8.24
NON-METALIC MINERAL PROD.	0.76	0.93	0.94	1.12	0.95
PETROLEUM AND COAL	139.84	155.67	149.91	N/A	N/A
CHEMICAL PRODUCTS	N/A	16.86	17.95	17.83	17.06
MISC. MANUFACTURING	-2.73	-3.24	-3.44	-3.95	-4.08
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	46.53	49.18	56.84	59.81	64.71
FORESTRY	10.17	10.56	9.84	10.81	10.60
FISHING	34.81	38.98	39.77	45.31	44.57
MINING	28.60	30.53	33.03	33.14	37.88
CONSTRUCTION	4.44	4.52	5.07	5.32	5.65
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	16.55	16.89	18.38	18.90	22.72
OTHERS LESS MFG.	88.05	99.95	107.88	124.93	136.99
TOTAL MFG. CATAGORIES	474.60	587.45	669.33	589.03	480.01
TOTAL GDP. LESS MFG. GDP.	229.13	250.61	270.81	298.23	323.11

DIFFERENCE (PERCENT) PERFECT COMPETITION - ORIGINAL LEVEL MFG. SHIPMENTS

YEAR	78	79	80	81	82
FOOD & BEVERAGE	0.77	0.77	0.77	0.77	0.77
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	57.41	57.41	57.41	57.41	57.41
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	-20.93	N/A	-20.93	-20.93	-20.93
WOOD	4.61	4.61	4.61	4.61	4.61
FURNITURE & FIXTURES	-29.03	-29.03	-29.03	-29.03	-29.03
PAPER AND ALLIED PRODUCTS	91.62	91.62	91.62	91.62	91.62
PRINTING AND PUBLICATION	19.00	19.00	19.00	19.00	19.00
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	-18.63	-18.63	-18.63	-18.63	-18.63
MACHINERY	N/A	N/A	-18.63	-18.63	-18.63
TRANSPORTATION EQUIPMENT	37.27	37.27	37.27	37.27	37.27
ELECTRICAL PRODUCTS	-17.99	-17.99	-17.99	-17.99	-17.99
NON-METALIC MINERAL PROD.	1.72	1.72	1.72	1.72	1.72
PETROLEUM AND COAL	18.20	18.20	18.20	N/A	N/A
CHEMICAL PRODUCTS	N/A	12.65	12.65	12.65	12.65
MISC. MANUFACTURING	-28.42	-28.42	-28.42	-28.42	-28.42

GROSS DOMESTIC PRODUCT

AGRICULTURE	52.10	52.10	52.10	52.10	52.10
FORESTRY	35.92	35.92	35.92	35.92	35.92
FISHING	24.72	24.72	24.72	24.72	24.72
MINING	26.83	26.83	26.83	26.83	26.83
CONSTRUCTION	1.29	1.29	1.29	1.29	1.29
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	10.33	10.33	10.33	10.33	10.33
OTHERS LESS MFG.	3.09	3.09	3.09	3.09	3.09
TOTAL MFG. CATAGORIES	21.27	21.38	22.59	24.06	21.58
TOTAL GDP. LESS MFG. GDP.	6.16	6.05	6.04	5.86	5.80

DIFFERENCE (LEVEL MM) IMPERFECT - PERFECT COMPETITION MFG. SHIPMENTS

YEAR	78	79	80	81	82
FOOD & BEVERAGE	187.26	217.15	242.76	269.27	283.82
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	16.86	26.81	27.49	33.14	26.79
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	2.42	N/A	3.36	4.61	5.50
WOOD	6.18	6.58	6.24	6.67	5.55
FURNITURE & FIXTURES	0.94	0.91	1.08	1.40	1.16
PAPER AND ALLIED PRODUCTS	11.71	13.12	16.59	17.81	15.28
PRINTING AND PUBLICATION	7.23	8.44	9.95	11.50	11.56
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	28.50	35.51	34.06	47.59	39.12
MACHINERY	N/A	N/A	2.06	1.83	1.43
TRANSPORTATION EQUIPMENT	134.13	210.41	237.30	325.68	214.98
ELECTRICAL PRODUCTS	9.53	9.49	10.42	11.08	9.11
NON-METALIC MINERAL PROD.	10.31	12.71	12.90	15.25	12.95
PETROLEUM AND COAL	59.62	66.38	63.92	N/A	N/A
CHEMICAL PRODUCTS	N/A	21.59	22.98	22.83	21.84
MISC. MANUFACTURING	1.72	2.05	2.17	2.50	2.58
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	7.62	8.05	9.31	9.79	10.59
FORESTRY	-1.33	-1.38	-1.29	-1.41	-1.38
FISHING	10.45	11.70	11.94	13.60	13.38
MINING	1.74	1.85	2.01	2.01	2.30
CONSTRUCTION	9.46	9.63	10.80	11.34	12.05
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	11.13	11.36	12.36	12.72	15.28
OTHERS LESS MFG.	89.47	101.57	109.63	126.96	139.21
TOTAL MFG. CATAGORIES	476.41	631.13	693.27	771.14	651.66
TOTAL GDP. LESS MFG. GDP.	128.54	142.78	154.76	175.01	191.43

DIFFERENCE (PERCENT) IMPERFECT - PERFECT COMPETITION MFG. SHIPMENTS

YEAR	78	79	80	81	82
FOOD & BEVERAGE	28.08	28.08	28.08	28.08	28.08
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	23.35	23.35	23.35	23.35	23.35
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	113.00	N/A	113.00	113.00	113.00
WOOD	6.87	6.87	6.87	6.87	6.87
FURNITURE & FIXTURES	15.02	15.02	15.02	15.02	15.02
PAPER AND ALLIED PRODUCTS	2.17	2.17	2.17	2.17	2.17
PRINTING AND PUBLICATION	12.80	12.80	12.80	12.80	12.80
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	50.68	50.68	50.68	50.68	50.68
MACHINERY	N/A	N/A	14.26	14.26	14.26
TRANSPORTATION EQUIPMENT	61.61	61.61	61.61	61.61	61.61
ELECTRICAL PRODUCTS	24.25	24.25	24.25	24.25	24.25
NON-METALIC MINERAL PROD.	23.09	23.09	23.09	23.09	23.09
PETROLEUM AND COAL	6.57	6.57	6.57	N/A	N/A
CHEMICAL PRODUCTS	N/A	14.38	14.38	14.38	14.38
MISC. MANUFACTURING	25.09	25.09	25.09	25.09	25.09
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	5.61	5.61	5.61	5.61	5.61
FORESTRY	-3.45	-3.45	-3.45	-3.45	-3.45
FISHING	5.95	5.95	5.95	5.95	5.95
MINING	1.29	1.29	1.29	1.29	1.29
CONSTRUCTION	2.71	2.71	2.71	2.71	2.71
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	6.30	6.30	6.30	6.30	6.30
OTHERS LESS MFG.	3.05	3.05	3.05	3.05	3.05
TOTAL MFG. CATAGORIES	17.61	18.92	19.09	25.39	24.[illegible]
TOTAL GDP. LESS MFG. GDP.	3.26	3.25	3.26	3.25	3.25

ORIGINAL EMPLOYMENT LEVELS

MANUFACTURING (NUMBER)

YEAR	78	79	80	81	82
FOOD & BEVERAGE	11039.00	11521.00	12019.00	11798.00	11850.00
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	1318.00	1755.00	1623.00	1461.00	1160.00
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	131.00	130.00	130.00	160.00	171.00
WOOD	2203.00	2151.00	1980.00	1802.00	1617.00
FURNITURE & FIXTURES	335.00	308.00	334.00	349.00	243.00
PAPER AND ALLIED PRODUCTS	3513.00	3175.00	3163.00	3340.00	2918.00
PRINTING AND PUBLICATION	1348.00	1527.00	1585.00	1521.00	1567.00
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	1491.00	1428.00	1427.00	1606.00	1408.00
MACHINERY	N/A	N/A	695.00	601.00	394.00
TRANSPORTATION EQUIPMENT	2879.00	4247.00	4189.00	4633.00	2853.00
ELECTRICAL PRODUCTS	1121.00	1187.00	1206.00	1352.00	1001.00
NON-METALIC MINERAL PROD.	729.00	759.00	728.00	747.00	735.00
PETROLEUM AND COAL	562.00	561.00	598.00	N/A	N/A
CHEMICAL PRODUCTS	N/A	1131.00	1096.00	1047.00	1105.00
MISC. MANUFACTURING	327.00	322.00	339.00	360.00	349.00

GROSS DOMESTIC PRODUCT

AGRICULTURE	6000.00	6000.00	7000.00	7000.00	6000.00
FORESTRY	3000.00	4000.00	5000.00	5000.00	5000.00
FISHING	8000.00	4000.00	5000.00	5000.00	5000.00
MINING	4000.00	5000.00	5000.00	5000.00	7000.00
CONSTRUCTION	22000.00	21000.00	22000.00	19000.00	18000.00
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	2830.00	2479.00	2160.00	2155.00	2117.00
OTHERS LESS MFG.	193884.00	200025.00	204766.00	209261.00	207866.00
TOTAL MFG. CATAGORIES	26996.00	30202.00	31112.00	30777.00	2737: 00
TOTAL GDP. LESS MFG. GDP.	239714.00	242504.00	250926.00	252416.00	250983.00

IMPERFECT COMPETITION SCENARIO EMPLOYMENT MANUFACTURING (NUMBER)

YEAR	78	79	80	81	82
FOOD & BEVERAGE	14248.04	14870.15	15512.92	15227.68	15294.80
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	2559.16	3407.68	3151.38	2836.82	2252.37
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	220.63	N/A	218.95	269.47	288.00
WOOD	2462.95	2404.82	2213.64	2014.64	1807.81
FURNITURE & FIXTURES	273.46	251.42	272.64	284.89	198.36
PAPER AND ALLIED PRODUCTS	6877.75	6216.02	6192.52	6539.05	5712.86
PRINTING AND PUBLICATION	1809.42	2049.69	2127.55	2041.64	2103.38
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	1828.12	1750.87	1749.64	1969.12	1726.35
MACHINERY	N/A	N/A	646.14	558.75	366.30
TRANSPORTATION EQUIPMENT	6386.77	9421.55	9292.88	10277.85	6329.10
ELECTRICAL PRODUCTS	1142.30	1209.55	1228.91	1377.69	1020.02
NON-METALIC MINERAL PROD.	912.78	950.34	911.53	935.32	920.29
PETROLEUM AND COAL	707.90	706.64	753.24	N/A	N/A
CHEMICAL PRODUCTS	N/A	1457.29	1412.20	1349.06	1423.79
MISC. MANUFACTURING	292.80	288.32	303.54	322.34	312.49

GROSS DOMESTIC PRODUCT

AGRICULTURE	9637.80	9637.80	11244.10	11244.10	9637.80
FORESTRY	3936.90	5249.20	6561.50	6561.50	6561.50
FISHING	10571.20	5285.60	6607.00	6607.00	6607.00
MINING	5138.40	6423.00	6423.00	6423.00	8992.20
CONSTRUCTION	22888.80	21848.40	22888.80	19767.60	18727.20
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	3319.02	2907.37	2533.25	2527.38	2482.82
OTHERS LESS MFG.	205963.00	212486.60	217522.90	222298.00	220816.00
TOTAL MFG. CATAGORIES	39722.08	44984.35	45987.68	46004.32	39755.93
TOTAL GDP. LESS MFG. GDP.	261455.10	263838.00	273780.60	275428.50	273824.60

PERFECT COMPETITION SCENARIO EMPLOYMENT MANUFACTURING (NUMBER)

YEAR	78	79	80	81	82
FOOD & BEVERAGE	11124.00	11609.71	12111.55	11888.84	11941.25
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	2074.66	2762.55	2554.76	2299.76	1825.96
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	103.58	N/A	102.79	126.51	135.21
WOOD	2304.56	2250.16	2071.28	1885.07	1691.54
FURNITURE & FIXTURES	237.75	218.59	237.04	247.69	172.46
PAPER AND ALLIED PRODUCTS	6731.61	6083.94	6060.94	6400.11	5591.47
PRINTING AND PUBLICATION	1604.12	1817.13	1886.15	1809.99	1864.73
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	1213.23	1161.96	1161.15	1306.80	1145.69
MACHINERY	N/A	N/A	565.52	489.03	320.60
TRANSPORTATION EQUIPMENT	3952.00	5829.86	5750.24	6359.72	3916.31
ELECTRICAL PRODUCTS	919.33	973.46	989.04	1108.78	820.92
NON-METALIC MINERAL PROD.	741.54	772.05	740.52	759.85	747.64
PETROLEUM AND COAL	664.28	663.10	706.84	N/A	N/A
CHEMICAL PRODUCTS	N/A	1274.07	1234.64	1179.45	1244.78
MISC. MANUFACTURING	234.07	230.49	242.66	257.69	249.81

GROSS DOMESTIC PRODUCT

AGRICULTURE	9126.00	9126.00	10647.00	10647.00	9126.00
FORESTRY	4077.60	5436.80	6796.00	6796.00	6796.00
FISHING	9977.60	4988.80	6236.00	6236.00	6236.00
MINING	5073.20	6341.50	6341.50	6341.50	8878.10
CONSTRUCTION	22283.80	21270.90	22283.80	19245.10	18232.20
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	3122.34	2735.08	2383.13	2377.61	2335.69
OTHERS LESS MFG.	199875.00	206205.80	211093.30	215727.20	214289.10
TOTAL MFG. CATAGORIES	31904.74	35647.07	36415.12	36119.28	31668.37
TOTAL GDP. LESS MFG. GDP.	253535.60	256104.90	265780.70	267370.40	265893.00

DIFFERENCE (LEVEL #) IMPERFECT COMPETITION - ORIGINAL EMPLOYMENT MFG.

YEAR	78	79	80	81	82
FOOD & BEVERAGE	3209.04	3349.15	3493.92	3429.68	3444.80
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	1241.16	1652.68	1528.38	1375.82	1092.37
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	89.63	-130.00	88.95	109.47	117.00
WOOD	259.95	253.82	233.64	212.64	190.81
FURNITURE & FIXTURES	-61.54	-56.58	-61.36	-64.11	-44.64
PAPER AND ALLIED PRODUCTS	3364.75	3041.02	3029.52	3199.05	2794.86
PRINTING AND PUBLICATION	461.42	522.69	542.55	520.64	536.38
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	337.12	322.87	322.64	363.12	318.35
MACHINERY	N/A	N/A	-48.86	-42.25	-27.70
TRANSPORTATION EQUIPMENT	3507.77	5174.55	5103.88	5644.85	3476.10
ELECTRICAL PRODUCTS	21.30	22.55	22.91	25.69	19.02
NON-METALIC MINERAL PROD.	183.78	191.34	183.53	188.32	185.29
PETROLEUM AND COAL	145.90	145.64	155.24	N/A	N/A
CHEMICAL PRODUCTS	N/A	326.29	316.20	302.06	318.79
MISC. MANUFACTURING	-34.20	-33.68	-35.46	-37.66	-36.51
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	3637.80	3637.80	4244.10	4244.10	3637.80
FORESTRY	936.90	1249.20	1561.50	1561.50	1561.50
FISHING	2571.20	1285.60	1607.00	1607.00	1607.00
MINING	1138.40	1423.00	1423.00	1423.00	1992.20
CONSTRUCTION	888.80	848.40	888.80	767.60	727.20
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	489.02	428.37	373.25	372.38	365.82
OTHERS LESS MFG.	12078.97	12461.56	12756.92	13036.95	12950.03
TOTAL MFG. CATAGORIES	12726.08	14782.35	14875.68	15227.32	12384.93
TOTAL GDP. LESS MFG. GDP.	21741.10	21333.94	22854.56	23012.53	22841.56

DIFFERENCE (PERCENT) IMPERFECT COMPETITION - ORIGINAL EMPLOYMENT MFG.

YEAR	78	79	80	81	82
FOOD & BEVERAGE	29.07	29.07	29.07	29.07	29.07
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	94.17	94.17	94.17	94.17	94.17
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	68.42	-100.00	68.42	68.42	68.42
WOOD	11.80	11.80	11.80	11.80	11.80
FURNITURE & FIXTURES	-18.37	-18.37	-18.37	-18.37	-18.37
PAPER AND ALLIED PRODUCTS	95.78	95.78	95.78	95.78	95.78
PRINTING AND PUBLICATION	34.23	34.23	34.23	34.23	34.23
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	22.61	22.61	22.61	22.61	22.61
MACHINERY	N/A	N/A	-7.03	-7.03	-7.03
TRANSPORTATION EQUIPMENT	121.84	121.84	121.84	121.84	121.84
ELECTRICAL PRODUCTS	1.90	1.90	1.90	1.90	1.90
NON-METALIC MINERAL PROD.	25.21	25.21	25.21	25.21	25.21
PETROLEUM AND COAL	25.96	25.96	25.96	N/A	N/A
CHEMICAL PRODUCTS	N/A	28.85	28.85	28.85	28.85
MISC. MANUFACTURING	-10.46	-10.46	-10.46	-10.46	-10.46
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	60.63	60.63	60.63	60.63	60.63
FORESTRY	31.23	31.23	31.23	31.23	31.23
FISHING	32.14	32.14	32.14	32.14	32.14
MINING	28.46	28.46	28.46	28.46	28.46
CONSTRUCTION	4.04	4.04	4.04	4.04	4.04
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	17.28	17.28	17.28	17.28	17.28
OTHERS LESS MFG.	6.23	6.23	6.23	6.23	6.23
TOTAL MFG. CATA`ORIES	47.14	48.94	47.81	49.48	45.25
TOTAL GDP. LESS MFG. GDP.	9.07	8.80	9.11	9.12	9.10

DIFFERNECE (LEVEL #) PERFECT COMPETITION - ORIGINAL EMPLOYMENT MFG.

YEAR	78	79	80	81	82
FOOD & BEVERAGE	85.00	88.71	92.55	90.84	91.25
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	756.66	1007.55	931.76	838.76	665.96
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	-27.42	-130.00	-27.21	-33.49	-35.79
WOOD	101.56	99.16	91.28	83.07	74.54
FURNITURE & FIXTURES	-97.25	-89.41	-96.96	-101.31	-70.54
PAPER AND ALLIED PRODUCTS	3218.61	2908.94	2897.94	3060.11	2673.47
PRINTING AND PUBLICATION	256.12	290.13	301.15	288.99	297.73
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	-277.77	-266.04	-265.85	-299.20	-262.31
MACHINERY	N/A	N/A	-129.48	-111.97	-73.40
TRANSPORTATION EQUIPMENT	1073.00	1582.86	1561.24	1726.72	1063.31
ELECTRICAL PRODUCTS	-201.67	-213.54	-216.96	-243.22	-180.08
NON-METALIC MINERAL PROD.	12.54	13.05	12.52	12.85	12.64
PETROLEUM AND COAL	102.28	102.10	108.84	N/A	N/A
CHEMICAL PRODUCTS	N/A	143.07	138.64	132.45	139.78
MISC. MANUFACTURING	-92.93	-91.51	-96.34	-102.31	-99.19

GROSS DOMESTIC PRODUCT

AGRICULTURE	3126.00	3126.00	3647.00	3647.00	3126.00
FORESTRY	1077.60	1436.80	1796.00	1796.00	1796.00
FISHING	1977.60	988.80	1236.00	1236.00	1236.00
MINING	1073.20	1341.50	1341.50	1341.50	1878.10
CONSTRUCTION	283.80	270.90	283.80	245.10	232.20
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	292.34	256.08	223.13	222.61	218.69
OTHERS LESS MFG.	5991.00	6180.78	6327.27	6466.16	6423.05
TOTAL MFG. CATAGORIES	4908.74	5445.07	5303.12	5342.28	4297.37
TOTAL GDP. LESS MFG. GDP.	13821.55	13600.86	14854.69	14954.38	14910.03

DIFFERENCE (PERCENT) PERFECT COMPETITION - ORIGINAL EMPLOYMENT MFG.

YEAR	78	79	80	81	82
FOOD & BEVERAGE	0.77	0.77	0.77	0.77	0.77
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	57.41	57.41	57.41	57.41	57.41
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	-20.93	-100.00	-20.93	-20.93	-20.93
WOOD	4.61	4.61	4.61	4.61	4.61
FURNITURE & FIXTURES	-29.03	-29.03	-29.03	-29.03	-29.03
PAPER AND ALLIED PRODUCTS	91.62	91.62	91.62	91.62	91.62
PRINTING AND PUBLICATION	19.00	19.00	19.00	19.00	19.00
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	-18.63	-18.63	-18.63	-18.63	-18.63
MACHINERY	N/A	N/A	-18.63	-18.63	-18.63
TRANSPORTATION EQUIPMENT	37.27	37.27	37.27	37.27	37.27
ELECTRICAL PRODUCTS	-17.99	-17.99	-17.99	-17.99	-17.99
NON-METALIC MINERAL PROD.	1.72	1.72	1.72	1.72	1.72
PETROLEUM AND COAL	18.20	18.20	18.20	N/A	N/A
CHEMICAL PRODUCTS	N/A	12.65	12.65	12.65	12.65
MISC. MANUFACTURING	-28.42	-28.42	-28.42	-28.42	-28.42
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	52.10	52.10	52.10	52.10	52.10
FORESTRY	35.92	35.92	35.92	35.92	35.92
FISHING	24.72	24.72	24.72	24.72	24.72
MINING	26.83	26.83	26.83	26.83	26.83
CONSTRUCTION	1.29	1.29	1.29	1.29	1.29
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	10.33	10.33	10.33	10.33	10.33
OTHERS LESS MFG.	3.09	3.09	3.09	3.09	3.09
TOTAL MFG. CATAGORIES	18.18	18.03	[illegible].05	17.36	15.70
TOTAL GDP. LESS MFG. GDP.	5.77	5.61	5.92	5.92	5.94

DIFFERENCE (LEVEL #) IMPERFECT - PERFECT COMPETITION EMPLOYMENT MFG.

YEAR	78	79	80	81	82
FOOD & BEVERAGE	3124.04	3260.44	3401.38	3338.84	3353.55
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	484.50	645.14	596.61	537.06	426.42
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	117.05	0.00	116.15	142.96	152.79
WOOD	158.40	154.66	142.36	129.56	116.26
FURNITURE & FIXTURES	35.71	32.83	35.60	37.20	25.90
PAPER AND ALLIED PRODUCTS	146.14	132.08	131.58	138.94	121.39
PRINTING AND PUBLICATION	205.30	232.56	241.40	231.65	238.65
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	614.89	588.91	588.49	662.31	580.66
MACHINERY	N/A	N/A	80.62	69.72	45.70
TRANSPORTATION EQUIPMENT	2434.77	3591.69	3542.64	3918.13	2412.78
ELECTRICAL PRODUCTS	222.97	236.09	239.87	268.91	199.10
NON-METALIC MINERAL PROD.	171.24	178.29	171.01	175.47	172.65
PETROLEUM AND COAL	43.61	43.53	46.40	N/A	N/A
CHEMICAL PRODUCTS	N/A	183.22	177.55	169.61	179.01
MISC. MANUFACTURING	58.73	57.83	60.88	64.66	62.68
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	511.80	511.80	597.10	597.10	511.80
FORESTRY	-140.70	-187.60	-234.50	-234.50	-234.50
FISHING	593.60	296.80	371.00	371.00	371.00
MINING	65.20	81.50	81.50	81.50	114.10
CONSTRUCTION	605.00	577.50	605.00	522.50	495.00
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	196.68	172.29	150.12	149.77	147.13
OTHERS LESS MFG.	6087.97	6280.78	6429.66	6570.80	6526.98
TOTAL MFG. CATAGORIES	7817.34	9337.28	9572.56	9885.04	8087.55
TOTAL GDP. LESS MFG. GDP.	7919.55	7733.08	7999.88	8058.16	7931.53

DIFFERENCE (PERCENT) IMPERFECT - PERFECT COMPETITION EMPLOYMENT MFG.

YEAR	78	79	80	81	82
FOOD & BEVERAGE	28.08	28.08	28.08	28.08	28.08
TOBBACCO	N/A	N/A	N/A	N/A	N/A
RUBBER AND PLASTIC	N/A	N/A	N/A	N/A	N/A
LEATHER	N/A	N/A	N/A	N/A	N/A
TEXTILES	23.35	23.35	23.35	23.35	23.35
KNITTING MILLS	N/A	N/A	N/A	N/A	N/A
CLOTHING	113.00	N/A	113.00	113.00	113.00
WOOD	6.87	6.87	6.87	6.87	6.87
FURNITURE & FIXTURES	15.02	15.02	15.02	15.02	15.02
PAPER AND ALLIED PRODUCTS	2.17	2.17	2.17	2.17	2.17
PRINTING AND PUBLICATION	12.80	12.80	12.80	12.80	12.80
PRIMARY METALS	N/A	N/A	N/A	N/A	N/A
METAL FABRICATION	50.68	50.68	50.68	50.68	50.68
MACHINERY	N/A	N/A	14.26	14.26	14.26
TRANSPORTATION EQUIPMENT	61.61	61.61	61.61	61.61	61.61
ELECTRICAL PRODUCTS	24.25	24.25	24.25	24.25	24.25
NON-METALIC MINERAL PROD.	23.09	23.09	23.09	23.09	23.09
PETROLEUM AND COAL	6.57	6.57	6.57	N/A	N/A
CHEMICAL PRODUCTS	N/A	14.38	14.38	14.38	14.38
MISC. MANUFACTURING	25.09	25.09	25.09	25.09	25.09
		GROSS DOMESTIC PRODUCT			
AGRICULTURE	5.61	5.61	5.61	5.61	5.61
FORESTRY	-3.45	-3.45	-3.45	-3.45	-3.45
FISHING	5.95	5.95	5.95	5.95	5.95
MINING	1.29	1.29	1.29	1.29	1.29
CONSTRUCTION	2.71	2.71	2.71	2.71	2.71
TRANSPORTATION	N/A	N/A	N/A	N/A	N/A
COMMUNICATION	N/A	N/A	N/A	N/A	N/A
ELECTRIC POWER AND GAS	6.30	6.30	6.30	6.30	6.30
OTHERS LESS MFG.	3.05	3.05	3.05	3.05	3.05
TOTAL MFG. CATAGORIES	24.50	26.19	26.29	27.37	25.54
TOTAL GDP. LESS MFG. GDP.	3.12	3.02	3.01	3.01	2.98

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Volume

2

Consumer Benefits for Nova Scotians from Canada-U.S. Free Trade

Nova Scotia Background Studies Related to Canada-U.S. Free Trade Negotiations

Volume 2 of 3

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September 1986

Nova Scotia

Department of Industry, Trade and Technology

Hon. Roland J. Thornhill, Minister

FOREWORD (1988)

The purpose of much of the research and consultations carried out by the Department of Industry, Trade and Technology prior to and during the trade negotiations was to identify and define how Nova Scotia's economic interests would be affected by freer trade with the U.S.A.

During the two and one half year period leading up to the January 2nd signing of the Free Trade Agreement, the department had access to many and varied sources of information, including confidential federal studies and papers, and many businesses and associations were very cooperative in supplying information on a confidential basis. The department also made use of the massive commentary and research generated on free trade issues, and cooperated in various external studies including the study done in 1986/87 by the Atlantic Provinces Economic Council.

The research, analysis and consultation undertaken throughout the period was a continuous process owing to the dynamic nature of the trade negotiations. Information was constantly updated, checked and refined as the potential scope and terms of the trade agreement evolved and changed.

The following three documents being released meet external confidentiality requirements and reflect information gathered and analysis carried out at various points between 1985 and the end of 1987.

VOLUME 1 - AN ECONOMIC MODEL ASSESSMENT OF FREE TRADE ON NOVA SCOTIA

In 1985 a research project was commissioned to test the impact of free trade using the well regarded Cox-Harris econometric model. The department wanted to apply this model to the Nova Scotia situation to gain more insight as to whether net gains and losses would occur in manufacturing and resource sectors and the potential magnitude of these. Results from this study are further updated in Volume 3.

VOLUME 2 - CONSUMER BENEFITS FOR NOVA SCOTIANS FROM CANADA-U.S. FREE TRADE

By early 1986, various wide ranging estimates of Canadian consumer benefits were being forecasted as a result of trade liberalization. The department commissioned an informal study in the summer of 1986 to better determine the potential for Nova Scotia consumer purchase and cost of living savings.

VOLUME 3 - FREE TRADE STAFF BRIEFING BOOK

As the formal negotiations began in mid-1986, a staff briefing book was prepared incorporating trade statistics, background commentary, and general findings from a survey of over 100 Nova Scotia firms and associations undertaken by the department in late 1985.

ABOUT THE AUTHORS

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EXECUTIVE SUMMARY

The purpose of this study is to assess the probable benefits of Canada-U.S. tariff-free trade for consumers, particularly consumers in Nova Scotia. The results show that the immediate benefits are tangible, but not substantial, and might account for less than 1 per cent of average yearly family expenditures. These results show that consumers may not make enormous gains from free trade, but the corollary is that there are unlikely to be enormous aggregate losses to Canadian businesses either. There is a tendency on both sides to over-dramatize the gains and losses of free trade which this analysis may help to dispel.

BACKGROUND

The rationale for a comprehensive bilateral free trade agreement between the United States and Canada is in the increased economic benefits which would be derived for both countries from such an agreement. Canadian proponents argue that Canada must have insured access to its largest market in a time when the U.S. is increasingly moving toward protectionism. As well, the removal of a number of U.S. non-tariff barriers and countervailing duties would also improve Canada's ability to compete in the American market in the future. Such access would in turn lead to greater productivity, economies of scale and rationalization for Canadian industries and hence a reduction in unemployment.

Those in favour of a free trade agreement are also convinced that substantial savings would be achieved for Canadian consumers. The Tariff which was the main component of Sir John A. MacDonald's National Policy of 1879 still contains a large number of dutiable items over 20%, irrespective of the Tokyo Round reductions presently taking place under the General Agreement on Tariffs and Trade. Thus it is often argued that the removal of the tariff in a free trade agreement "will clearly benefit all consumers.[1]

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[1] H. McA. Pinchin, "A Framework for Assessing the Impact of Free Trade in North America, "Trade & Investment Across the Northeast Boundary: Quebec, the Atlantic Provinces and New England, William D. Shipman "ed.", (Montreal: Institute for Research on Public Policy, 1986), p.85.

Indeed, the recent report of the MacDonald Royal Commission cited a number of studies claiming that the removal of the tariff on those goods entering Canada from the U.S. would lead to increased consumption in the range of 1.3 - 4.5% for consumers.[2]

The purpose of this study is to assess the probable impact of Canada-U.S. free trade on consumers, particularly consumers in Nova Scotia. This study focuses on direct consumer benefit, which is a more restricted concept than the overall benefits (such as increased employment or greater competition) that the Canadian economy overall might realize from free trade. Furthermore, this analysis deals with tariffs, and specifically the extent to which Nova Scotian consumers could expect to derive benefits from the removal of tariffs on those goods imported from the United States. Due to difficulties of definition and measurement, quotas and other non-tariff barriers (NTBs) are beyond the scope of this study. With the exception of alcoholic beverages and some foodstuffs, NTBs are not especially numerous in Canada-U.S. trade in consumer products. In sectors such as clothing and textiles where NTBs are commonplace, they are directed more at trade from developing countries than from the United States. Therefore, it is expected this tariff based study will cover the most important direct impact on consumers resulting from free trade between Canada and the United States.

PROCEDURES

As a first step it was necessary to obtain a disaggregated list of Nova Scotian consumer expenditures. The most useful data for this purpose is Statistics Canada "Detailed Average Expenditures by Region and Province" for all families and unattached individuals, which subdivides consumer expenditures into 16 categories (see Appendix A). The most recent year for which this data is available is 1982. Data on food expenditures were found in the "Summary of Average Weekly Food Expenditures by

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[2] Canada, Report of the Royal Commission on the Economic Union and Development Prospects for Canada, Vol. 1, (Ottawa: Minister of Supply and Services and University of Toronto Press, 1985), p. 327-330

Region and Province", also compiled for 1982. These Statistics Canada data provided greater disaggregation of consumer expenditures than other available tables, and they permitted greater precision when concordance was sought with the tariff schedule.

The second step was to remove those categories which are not a part of the total current consumption (TCC). These included personal taxes, security, and gifts and contributions. We were then left with 13 categories comprising the TCC (see Table 1). The third step was to remove those items of the TCC which were in the main not affected by international trade. such items included expenditures on electricity, water, labour costs and other services. These items are marked in red in Appendix A.

The fourth step involved achieving a concordance between the remaining TCC items and the appropriate tariff, in order to determine the tariff applicable to different consumer goods. This procedure is only approximate, since consumer goods listed by Statistics Canada are not always described in a similar fashion in the tariff schedule. For example, ice skates in the Statistics Canada data are defined under footwear in the tariff schedule, although in practice many items corresponded more closely than this example. The index accompanying the tariff schedule was often used making concordances, and in those instances where concordances between TCC items and the tariff were difficult to achieve, a decision was made on the basis of common sense.

Several points about this procedure should be noted. First, we sought to apply as often as possible tariffs which were applicable at the retail level. For example, when seeking the appropriate rate of duty for seeds we found that tariff numbers 740001 and 761001 under Most Favoured Nation Status allowed entry duty free for those packages which weighed over 1lb. However, tariff #761501 provides a rate of 9.8% for those packages under 1lb. Consequently, we chose to apply the latter tariff on account of most consumer purchases would likely be of small packages.

Second, even with the disaggregation which the tables on Detailed Average Expenditures provides, some dissimilar items are aggregated together. One such example is lawn, garden snow-removal tools and equipment. In these cases we tried to find the appropriate tariff for one of the items listed, irrespective of whether or not

the subsequent items were deemed to be imported from the United States. In this case the appropriate tariff was found for lawn mowers and the total expenditure given was applied.

Third, the applicable rates of duty applied here are those which were in effect as of January 1, 1986; this does not take into account (i) those tariff reductions taking place on January 1, 1987 as part of the Tokyo Round and (ii) those changes which may have resulted from the passage of the Ways and Means Motion tabled in Parliament by the Minister of Finance on May 23, 1985 or any other changed thereafter.

Fourth, the TCC figure used here for the total consumption of Nova Scotian families is $17,092.17 or 97.2% of that provided by Statistics Canada. The reason for this discrepancy is twofold. First, a number of items listed in the TCC are not provided with expenditure figures for Nova Scotians. In such cases an average Nova Scotian expenditure was calculated using the Atlantic Provinces average expenditure which was provided. In those instances where no figure was available for the Atlantic Provinces, then that provided for all classes was used. In a couple of cases no expenditure figures were provided for any class and thus the item was dropped completely from this study. Secondly, Statistics Canada provides different expenditures for food, none of which are equal to the one which we used throughout this study. Our interpretation of the data was undertaken with the hopes of providing the reader with a more accurate depiction of actual consumer expenditures for Nova Scotia.

The fifth step was to identify those items in which imports into Canada came substantially from countries other than the United States. For those products it is expected bilateral free trade with the United States would have less direct impact on Canadian consumers. In order to determine these items we used Department of Finance tables on Total Trade Imports by Tariff Item for the EEC, Japan and U.S. for 1982, 1983 and 1984. One advantage of this table was that it provided the relevant information for 1982. The cut off used to determine whether or not an item involved trade from the United States was 50%. Thus, if 50% of all imports of a specific item originated in a country or countries other than the United States, the item was marked in yellow in Appendix A and was dropped from further consideration in this study. This procedure eliminated most items in the clothing category, which will be the subject of further discussion.

The sixth step was to identify those items in which imports into Canada came substantially from the United States. These items are marked in blue in Appendix A. The seventh step was to eliminate duty-free U.S. imports, which presumably would be unaffected by a free trade agreement. The remaining items, those which are imported from the United States and which are dutiable are described in Appendix B. Finally, the eighth step involved differentiating consumer items by the height of tariff (eg. 1-4.9%; 5.0-9.9%; 10.-14.9%; 15% and over). These data are presented in Tables 3 and 4.

GENERAL FINDINGS

The estimation of consumer benefits (or welfare gains) from a general elimination in tariffs is a difficult task in economic analysis. Normally econometric analysis would be employed for this purpose, but these models frequently produce inconsistent results, and in any case they are beyond the grasp of the layperson. The methods used here are more primitive, and are mainly intended to structure the problem and to estimate the probable range within which consumer benefits might occur from tariff-free trade.

This analysis of the consumer benefits of Canada-U.S. free trade proceeds on several assumptions. First, it is assumed that a free trade agreement (FTA) would include substantially all trade in merchandise goods, with no major sectoral exceptions. Admittedly this assumption may be politically unrealistic, especially in the case of the agricultural sector which involves many consumer products. In the auto sector particularly (which constitutes about 1/3 of all Canada-U.S. trade), duty free trade in original cars and parts already exists due to the Auto Pact, and it is assumed there would be no change in this agreement. However, aftermarket or replacement parts are not included in the Auto Pact, and it is expected a FTA would reduce the tariff on those items to nil.[1]

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[1] The Auto Pact is a special case in Canada-U.S. trade. On the Canadian side, the Pact extends the right of duty-free importation only to "qualifying manufacturers", ie. manufacturing companies which produce in Canada three out of every four cars sold in Canada. Canadian consumers cannot import directly a new car free of duty, and there is a flat prohibitation against the import of used cars. These same provisions do not pertain for American consumers. Clearly Canadian consumers would be advantaged if this provision were dropped from the Auto Pact.

Second, it is assumed that the price effects of a lowering of tariffs due to free trade will be passed on to consumers. In fact this may be a dubious assumption when compared to actual practice. The benefits of tariff reductions usually accrue first to business (eg. importers, wholesalers, or retailers) and they may or may not be passed on depending on the extent of price competition in the goods in question. In any case it is nearly impossible to determine the matter one way or another, because tariff reductions are usually made in small stages and their effects are overwhelmed by inflation and other changes in the economy.

A third assumption is that the major benefits of free trade for consumers will be realized from the direct effect of tariff reductions on consumer goods. Tariff reductions can effect consumers directly by reducing the prices on consumer goods, or indirectly by reducing the price of intermediate and/or capital goods which go into the production of consumer goods. The tariffs on many intermediate goods such as textiles or capital goods such as machinery are rather high, and therefore, it is reasonable to expect that tariff reductions on these items might ultimately benefit consumers. However, our data on consumer expenditures do not permit analysis of indirect effects, which constitutes an important limitation in this study.

The estimates of consumer benefits proceeds from consumption figures (see Table 1). Of the 13 categories that account for total consumption, shelter, food and transportation account for nearly 60% of consumer spending. Of these items, shelter is little affected by trade, and one-half the transportation category involves non-traded items. Other non-trade related categories are education, miscellaneous, and about one half of the household operations category. The various non-traded items are excluded from the study.

Table 1: Breakdown of Total Current Consumption (TCC) by Category

Category		Expenditure	Percentage of TCC
1)	Food	$ 3,268.27	19.1
2)	Shelter	3,720.90	21.8
3)	Household Operations	1,113.20	6.5
4)	Household Furnishings and Equipment	841.60	4.9
5)	Clothing	1,453.10	8.5
6)	Transportation	3,057.00	17.9
7)	Health Care	383.80	2.3
8)	Personal Care	437.70	2.6
9)	Recreation	1,010.50	5.9
10)	Reading Material and Other Printed Matter	129.30	.8
11)	Education	176.70	1.0
12)	Tobacco and Alcohol	788.30	4.6
13)	Miscellaneous	711.80	4.1
		$17,092.17	100.00%

Tariff concordance and corresponding trade data for the various items in the TCC were determined in the manner already described. As stated earlier, this procedure is essentially an approximation because the description of consumer items do not match up identically with the description of tariff line items in the tariff schedule. The results of this analysis are presented in Table 2. This table indicates that non-traded items comprise about 40% of consumer spending (TCC). On a further 20% of TCC items the trade is mainly with countries other than the United States. Finally, on a further 15% of TCC items the Canadian tariff is nil, again making these items unaffected by a free trade agreement. The result is that only about 24% of TCC items involve U.S. trade and carry tariffs which would be lowered in the event of Canada-U.S. free trade. These items are listed in Appendix B.

Table 2: Trade Impact on Total Current Consumption

Nature of Trade	Expenditure	Percentage of TCC
Non-traded goods	$ 6,880.74	40.3
Traded goods (non-U.S.)	3,509.00	20.5
Traded goods (U.S., non dutiable)	2,654.10	15.5
Traded goods (U.S., dutiable)	4,048.33	23.7
	$17,092.17	100.00%

The tariff levels on dutiable imports coming mainly from the United States (ie, the 24% of TCC) are presented in Table 3. This table demonstrates that most Canadian tariffs on U.S. consumer goods are in the 10-15% range. It appears from this table that on those products which Canada chooses to protect, the protection is substantial, and therefore removal of these tariffs would likely produce some benefits for consumers in Canada.

Table 3: Tariff levels of U.S. Dutiable Items

Rate of Duty	Expenditure	% of U.S. Dutiable Trade
.1% - 4.9%	$ 84.26	2.1
5.0% - 9.9%	689.22	17.0
10. - 14.9%	1,580.34	39.0
Over 15.0%	1,213.01	30.0
Non-ad-valorem	481.50	11.9
	$ 4,048.33	100.00%

To this point the data can be generalized as follows: if Canada-U.S. free trade were to occur, the immediate effect on Canadian consumers would be to reduce tariffs on no more than 24% of TCC, or about $4,050. Furthermore, if all the consumption in these TCC items were accounted for by trade with the United States, (clearly an unrealistic assumption), and if the average Canadian tariff were about, say 12%, then the savings from free trade for the average Nova Scotian family would be no more than $486. This figure is about 2.8% of the total current consumption of Nova Scotian families of $17,092.17.

The above estimate must be revised downward to take account of domestic production. For many TCC items imports from the United States will be only a small proportion of the total consumption of the item. Therefore, if price drops because of the removal of tariffs on U.S. imports, this will initially affect only that proportion of consumption represented by U.S. trade. Eventually, one would expect reduced prices on imported U.S. products to produce downward pressure on prices of domestic products, but the extent of this effect would depend on price competition, elasticity of supply, market access, and so forth.

The data used here do not permit an estimate to be made of the proportion of U.S. imports to total consumer expenditures on a category by category basis. A random check of the products within these categories suggests that most items show a low ratio of U.S. imports to consumer expenditure (eg., less than 10%), but these data cannot be aggregated into an average figure for all categories. However, an approximation of an aggregated figure can be found in data on "Import Penetration of Major Manufacturing Sectors in Canada", which indicates that in 1981, 31.8% of the Canadian market in all manufacturing sectors was supplied by imports from all countries.[2] This would suggest that a figure of 25% might be an acceptable estimate of the percentage of U.S. imports in consumer ex, enditures.

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2 Department of External Affairs, A Review of Canadian Trade Policy: A Background Document to Canadian Trade Policy for the 1980's. (Ottawa: Minister of Supply and Service, 1983), p. 31.

It has been previously seen that 24% of TCC items (ie., an expenditure of $4,050 per year) consist of products in which dutiable U.S. trade is a factor in Canadian consumption. If dutiable U.S. trade accounts for 25% of total expenditures, the figure of $4,050 should be reduced to $1,013, which would represent the amount the average Canadian family spent on U.S. imports per year. Assuming that the average tariff on imports from the United States is 12%, free trade would then produce an immediate saving on family expenditures of 12% of $1,013, or approximately $122 per year.

There is a further uncertainty in the conclusion presented here, which is clearly pointed out in the clothing category, and which also is especially problematic in the food category. Most Canadian imports of clothing come from countries other than the United States, and hence those items are excluded from our study (see Procedures section). The problem is that Canadian tariffs are very high, and while these tariffs are not sufficient to stop imports from low-cost exporters (eg. Hong Kong), they are probably sufficient to stop trade with high cost U.S. exporters. Were free trade to occur, it is probable U.S. clothing exporters would sell more to Canada, with consequent benefits to Canadian consumers. However, a more elaborate and extended analysis would have to be conducted to estimate the extent of these benefits.

To summarize, it appears that the immediate benefits to Nova Scotian consumers of tariff-free trade with the United States are tangible, but not substantial. Only about one-fourth of annual family consumption (or $4,050) includes products in which dutiable U.S. imports are a substantial factor. Assuming that dutiable U.S. imports account for about 25% of Canadian expenditures on these products, and assuming the average Canadian tariff on U.S. imports to be about 12%, this suggests that Nova Scotian families would save about $122 per year from a Canada-U.S. trade agreement, out of total average family expenditures of $17,092.17 per year. These savings would be less than 1%, specifically about 0.7%. Clearly this figure is a minimal estimate, for it does not take account of the additional amounts of U.S. goods that might be imported if tariffs on those goods were to be removed. However, the extent that consumers would benefit from those increased imports depend on the assumptions made about the Canadian marketplace.

In the aggregate, the direct effects of tariff-free trade on Nova Scotian consumers are not likely to be great and may not even be noticed at all. Of course, the corollary of

this is that if consumers do not make enormous gains, then neither are there likely to be enormous aggregate losses to Canadian businesses which produce consumer products. There is a tendency on both sides to over-dramatize the gains and losses of free trade which this analysis may help to dispel. One main argument in favour of free trade is that it would probably make the Canadian economy more efficient and market oriented, with eventual employment and consumption gains to be taken in the long-run by the whole society. This is an argument that is not addressed by an analysis of the short-run direct benefits to consumers of free trade.

DESCRIPTION OF CATEGORIES

This section provides a breakdown of our findings by category. Table 4 shows those areas where consumers could expect to derive immediate benefits following the removal of tariffs on U.S. imported goods. Those categories which have both high expenditures and high percentages of U.S. dutiable trade are areas in which consumers would derive the most benefits following a FTA. Conversely, those categories which have a low percentage of TCC, and in which there is little trade are less certain to provide consumers with benefits.

Category 1: Food

Expenditures on food amounted to $3,268.27 or 19% of the TCC. The non-trade component included expenditures on various types of milk, trips overnight or longer,[1] board paid by family members and food purchased from restaurants. The items amounted to 29.2% of the category. Non-U.S. traded items included fresh or frozen beef, veal, lamb and mutton, canned meats, cheeses, fresh pasta, canned fruits and vegetables. Expenditures on non-dutiable U.S. items included: fresh or frozen pork; fresh, frozen or cured fish; a variety of breads; some fresh and dried fruits; and

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[1] Food expenditures on trips overnight or longer have been included in the non-trade component on account of the lack of disagragation in the tables.

varieties of fresh or frozen vegetables, most notably those of a kind not grown in Canada. When the non-trade, non-U.S. trade and U.S. duty free components are combined, the amount of expenditure is $2,109.44 or 64.5% of the category. Thus, it is the remaining 35.5% of food expenditures which would most immediately be affected by a free trade agreement between the United States and Canada.

Table 4: U.S. Dutiable Trade by Category

Category		Total Expenditure per Category	Value of U.S. Dutiable Items	% of Category
1)	Food	$3,268.27	1,158.83	35.5
2)	Shelter	3,720.90	139.60	3.8
3)	Household Operations	1,113.20	539.00	48.4
4)	Household Furnishings and Equipment	841.60	569.00	67.6
5)	Clothing	1,453.10	96.50	6.6
6)	Transportation	3,057.00	308.70	10.1
7)	Health Care	383.80	132.60	34.5
8)	Personal Care	437.70	269.80	61.6
9)	Recreation	1,010.50	399.80	39.6
10)	Reading Material and Other Printed Matter	129.30	36.20	28.0
11)	Education	176.70	26.10	14.8
12)	Tobacco and Alcohol	788.30	365.00	46.3
13)	Miscellaneous	711.8	7.2	1.0

Of those food expenditures on U.S. dutiable items, only 2.3% of the category is on those with duties of 10% or less. The two most highly purchased of these items are orange juice with a tariff rate of 3% (1065201), and canned salmon with a dutiable rate of 3.6% (1230201). Those items with duties between 10-14.9% accounted for $317.04 or 9.7% of the category. The largest single purchase here was $104.50 on poultry, which has a duty of 12.5% (93001). As well, a characteristic of many of these items was that they were

semi-processed or processed foods. Finally, a number of seasonable tariffs on fresh fruits and vegetables can be found with duties of 10-14.9%.

Purchases of items with duties of 15% or more account for $375.81 of expenditures or 11.5% of the category. Two important tariffs are on prepared foods and beverages (7110007) at 17.5%, and sugar and candy confectionery (1410001) at 16.1%. Expenditures on the former amounted to $160.68 and $97.76 for the latter.

The food category has the greatest non-ad-valorem tariffs amounting to $392.50 or 12% of food expenditures. These are mostly on prepared meats and bulk foods such as coffee and flour with tariffs of 2c/lb (260001), and 50c/barrel (610001) respectively.

This category is significant because it is the second highest in term of TCC expenditures (expenditures on shelter exceed those on food by $452.63). Also, it has the largest value of U.S. dutiable items at $1,158.83, and 33.2% of the expenditures have tariffs either over 10% or are non-ad-valorem. Therefore, of all categories, the food sector in a FTA would provide the most substantial direct benefits to consumers.

However, tariffs are neither the only or principle obstacles to free trade in agricultural goods. The Federal Government and the Provinces have a long history of intervention in the agricultural and food processing industries. At present there are a plethora of price and margin support mechanisms, supply and trade controls, transportation and storage subsidies, and crop insurance programs. These policies have resulted, in part, on a embargo of imported fluid milk and quotas on hogs, beef and veal, poultry, eggs and other dairy products.[2] Consequently, the benefits to consumers from free trade might not derive solely from the removal of tariffs, but from a combination of tariffs and NTBs.

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2 Thorald K. Warley, "Issues in Canadian Agricultural Trade Policy," Canada-United States Free Trade, Research Coordinator John Whalley with the assistance of Roderick Hill, Royal Commission on the Economic Union and Development Prospects for Canada, Vol. II (Ottawa: Minister of Supply and Service and University of Toronto Press, 1985) p. 271-275.

Category 2: Shelter

Expenditures on shelter were the largest of all the categories and accounted for $3,720.90 or 21.8% of TCC. The non-trade component consisted of rented and owner related expenses and amounted to 78.1% of the category. Fuel and other heating costs amounted to 16.2% of the category and were all non-U.S. traded. U.S. non-dutiable trade amounted to 2%.

Of all the categories, shelter has the lowest percentage of U.S. dutiable items. in 1982 these expenditures amounted to $139.60 or 3.7% of the category. Even though shelter is the largest category of the TCC, the low percentage of expenditures on U.S. dutiable items reduces the potential benefits to Nova Scotian consumers of a free trade agreement between the United States and Canada.

Category 3: Household Operations

Expenditures on household operations accounted for $1,113.20 or 6.5% of TCC. The non-trade component of this category consists of telephone, child care, veterinarian and horticultural services. The U.S. duty free component includes pets, nursery stocks and fertilizers. Combined they account for 51.6% of the category.

U.S. dutiable items in this category represent $539. of expenditures, the majority of which are on items with duties of 10% or more. Those items under 10% include bathroom paper and an assortment of household chemical preparations. Two areas which have significant tariffs are paper products (1990001) and cleaning agents (9340201). The former has a duty of 11.1% and accounts for $62.10 of expenditures. The latter has a duty of 13.1% and accounts for $65.50 of expenditures. The highest dutiable items in this category is automatic dishwasher detergent (9340205) at 19.9%. However, it only accounts for $6.40 of TCC.

In sum, $539. or 48.4% of expenditures in this category are U.S. dutiable items, most of whom have a duty of 10% or more. Consequently, Nova Scotian consumers could expect some benefits from a free trade agreement in this area.

Category 4: Household Furnishings and Equipment

Expenditures on household furnishings and equipment amounted to $841.60 or 4.9% of TCC. Non-tradeable expenditures were all on services, while non-U.S. trade consisted mostly of textiles, tableware and flatware. Combined, these components make up 24% of expenditures in the category.

Significantly, of all categories, household furnishings and equipment has the highest percentage of U.S. dutiable goods. It is 67%. The lowest dutiable items are machines (4270001), at 9.9%. Those items with duties of 10-14.9% comprise the largest segment of the category at 36.2%. Two prominent items here are household machines (4270005) with a duty of 13% and accounting for $102.20 of expenditures, and cooking appliances (4430002) with a duty of 12.7% and accounting for $53.60 of expenditures.

This category also has a high percentage (24.7%) of dutiable items above 15%. A high tariff is applied on upholstered and wooden furniture (5190101), on which the duty is 15.6% and expenditures amounted to $161.30. The item with the highest rate of duty in this category is carpets (5720001) at 20%.

In conclusion, household furnishings and equipment is a category in which Nova Scotian consumers would receive relatively greater benefits if a free trade agreement occurred. The main reason is that the majority of expenditures in this category are U.S.-trade-impacted and have duties of 9.9% or more.

Category 5: Clothing

Clothing expenditures in 1982 amounted to $1,453.10 or 8.5% of TCC. Of this amount 5.3% was spent on non-traded items, while 88.1% was consumed on imported items from countries other than the United States. These figures demonstrate that Canada is dependent upon developing countries for its clothing needs, a finding which is supported by other government studies.

All U.S. imported goods in this category maintain tariffs over 15%. The items include hosiery, socks, belts and other accessories. Given that potential expenditures on U.S.

imported items amount to only 6.6% of the category, it would appear that Nova Scotian consumers would not derive immediate benefits from a FTA. However, it is probable that the duties on clothing are high enough to restrict if not prohibit some U.S. products from entering Canada. For further discussion, see section of "General Findings".

Category 6: Transportation

Expenditures in this category amount to $3,057 or 17.9% of TCC. Significantly, only 10.1% of these expenditures are on dutiable U.S. traded items. The two largest expenditures are automobiles, which are imported duty-free under the Auto Pact; and gasoline, which is a small item in Canada-U.S. trade and is imported duty-free. Combined these two items make up 67% of the category. The largest component of dutiable items are secondary auto parts (4382901) at 9.9%. As well, batteries and tires (4451201, 6181501) both carry duties above 10%, but expenditures on these items are minimal, and account for only 3% of the category.

Given that 89.9% of expenditures in this category are not affected by present tariffs, the impact of a free trade agreement on Nova Scotian consumers would be minimal. This conclusion does not ignore the fact that "free trade" does not necessarily exist in automobiles. Indeed, one may argue that the production safeguards inherent in the Auto Pact are contrary to the fundamental principles of free trade. Nevertheless, the point remains that at present, automobiles imported from the United States are duty free, and it is assumed that a free trade agreement would not alter this fact.

Category 7: Health Care

Expenditures on health care amount to 2.3% of TCC. The non-trade component of this category is 59% and pertains entirely to health services. The non-U.S. trade expenditures are on eye care goods, and when combined with non-trade items make up 65.5% of health care expenditures.

All U.S. imported goods in this category are dutiable, mostly over 10%. The exception is for drugs of a kind made in Canada which have duty of 9.9%, while those of a kind not

made in Canada (2200301-02) are allowed in duty free. The most significant tariff on health care goods is for "all medicinal and pharmaceutical preparations" (2200101) at 10.3% and which accounts for $84.90 of expenditures.

In sum, expenditures on items of a kind which are U.S. imported and dutiable is $132.60 or .8% of TCC. Therefore, minimal savings for consumers would derive from a FTA.

Category 8: Personal Care

Expenditures on personal care products and services comprise 2.6% of TCC. The non-trade component amounts to 33.9% of expenditures, while those on non-U.S. imported goods is 4.5%. The former is spent mostly on grooming services while those on non-U.S. imported goods is 4.5%. The former is spent mostly on grooming services while the latter is expended on fragrance preparations.

U.S. imported dutiable items make up 61% of personal care expenditures. The most significant tariff is an all inclusive tariff which pertains to non-alcoholic toiletries (2340001) at 13.4% and accounts for $197. of expenditures. Accordingly, the removal of this tariff would be significant for Nova Scotian consumers, though the savings incurred would be minimal in relation to TCC expenditures.

Category 9: Recreation

Recreation is the 6th largest category and accounts for 5.9% of TCC. As with all other categories the non-trade component is mostly services. The non-U.S. traded items include a variety of sporting goods, toys, cameras and accessories, and home electronic entertainment equipment. When combined the non-traded, the non-U.S. traded and U.S. duty-free items account for 60% of recreational expenditures.

U.S. dutiable items with tariff of 10% or more make up 30% of recreational expenditures. Goods with rates of duty between 10-14.9% include electronic home entertainment equipment, sporting equipment and film. For recreational vehicles and

outboard motors concordance was made with the tariff pertaining to small pleasure boats (4400301). Here the tariff was 15.3%.

Given that the percentage of recreational expenditures are not a major component of TCC and that the majority of those expenditures are on non-U.S. dutiable items, it is believed that the benefits of a FTA to Nova Scotian consumers would be small though not insubstantial.

Category 10: Reading Material and Other Printed Matter

This category is the smallest of TCC at .8%. The non-traded items are newspapers and library services. In 1982 consumers spent $34.50 on single copies and subscriptions of magazines and periodicals.* These two expenditures when combined make up 72% of the category.

The expenditures which have the highest rate of duty are books, and other printed matter. The former has a duty rate of 11.7% and the latter is 10%. Overall, a free trade agreement would not have substantial benefits for consumers given the small degree of expenditures in this category.

* **A duty of 10% was imposed recently as a consequence of the "shakes and shingles affair". A free trade agreement would presumably lead to a return to the previous status quo.**

Category 11: Education

Expenditures on education represented only 1% of the TCC, and tuition fees comprised the largest single expenditure in this category. As well, all textbooks used on course curricula (excluding dictionaries) are allowed entry duty free. Consequently, total non-U.S. dutiable items in this category amount to 85.2%.

The only U.S. dutiable item found in this category was school supplies (1990001) on which the rate is 11.1%.

As with many other of the smaller categories, it is believed that a free trade agreement would have little impact on Nova Scotian consumers. U.S. dutiable goods amounted to only $26.10 of TCC.

Category 12: Tobacco and Alcohol

Expenditures on tobacco and alcohol in 1982 were $788.30 or 4.6% of TCC. Of this amount 53.7% was spent on non-U.S. traded goods. Such items included all beverages, cigars and matches.

All U.S. trade items in this category carry tariffs. The most significant are those on cigarettes (1431501) at 20.6% and manufactured tobacco (1450001) at .70/lb. combined they form 46.3% of expenditures in this category.

This is a category where a free trade agreement could have beneficial effects for consumers. Under such an agreement it would be possible to have a greater selection of U.S. imported beverages. The reason for this is that the NTBs which the provinces are presently maintaining in liquor distribution and the related tariffs on those products would be eliminated. However, given that governments impose high taxes on alcohol and tobacco products, it is probable that additional taxes might be applied to offset monetary benefits of a FTA. The tariff on beer (1470001) is .15/gallon and one wine (1631001) is .20/gallon.

In conclusion, the main benefit to be gained in this category for Nova Scotian consumers is probably a greater selection of products.

Category 13: Miscellaneous

Items in this category make up only 4.1% of TCC, most of which are not affected by trade. However, the financial and legal components of this category which represent $48.90 of the TCC may be affected by a Canada-United States free trade agreement.

Since 1984 the U.S. has been pursuing within the GATT an extension of liberalized trade principles to the service sector.[3] Accordingly, they have wanted to include the service sector in the present free trade negotiations. If the service sector is included in such an agreement, then the major benefit for Nova Scotian consumers would likely be greater selection of available services.

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[3] United States Trade Representative, U.S. National Study on Trade In Services. (Washington: U.S. Government Printing Office, 1984).

APPENDIX A

On pages 3, 4 and 5 of the text reference is made to items in this Appendix marked in red, blue and yellow.

In reproduction these colours are lost, therefore the items that were so colour coded are listed below by the four digit number shown in the far left had column of the following 14 pages.

RED	BLUE	YELLOW
	1010-1015	1000-1007
1520	1040	1020
1530-1540	1041	1030
1560-1563	1060-1062	1050
1570-1573	1070-1086	1090
	1091	1092
2000-2002	1100-1132	1150
2010-2029	1140-1141	1166-1174
2050-2069	1160-1165	1192-1193
2070-2080	1175-1180	1201-1202
2096	1190-1191	1221
2100-2116	1194-1197	1231
2120-2131	1200	1240
2201-2220	1210-1217	1241
2234	1220	1253
2275	1222-1230	1282-1283
-	1232-1234	1285-1286
2490-2496	1250-1252	1350
-	1260-1281	1353-1359
-	1284	1370-1371
2870-2879	1287	1380-1381
-	1290-1320	1411
2920-2923	1330-1340	1420
2936	1351-1352	1433
2938-2965	1360-1361	1440-1441
3010	1372-1376	1470
3011	1390-1395	
3040	1410	
3042	1430-1432	2091
3050-3053	1450-1452	2095
3060	1460-1463	2311
3061-3064	1480-1492	2320-2329
3150-3153	1500-1502	2341-2343
3236		2420
3271	2030-2049	2430-2434
3293-3297	2092-2094	2442
3313-3370	2200	2500-2551
3380	2230-2233	2553-2561
3385	2240-2274	2570-2634
3396-3400	2280-2283	2660-2663
3600-3609	2300-2302	2670-2673
3611	2303-2310	2680-2681
	2330	2690-2691

RED	BLUE	YELLOW
	2340	2700-2703
	2344	2705-2731
	2350-2410	2740-2742
	2421-2423	2750-2753
	2440-2441	2760-2766
	2450-2456	2770-2771
	2460-2470	2780-2783
	2480-2483	2790-2792
	2552	2810-2813
	2562-2563	2820-2851
	2640-2650	2860-2864
	2704	2865
	2732-2733	3021-3023
	2800-2808	3104
	2900-2902	3105
	2910-2911	3202-3205
	2930-2935	3220-3222
	2937	3226-3232
	3000	3240-3241
	3001	3290
	3002	3300-3306
	3020	3501
	3030	3503
	3041	
	3100-3103	3510-3515
	3106-3140	
	3200-3201	
	3206	
	3223-3225	
	3233-3235	
	3250	
	3260-3262	
	3270	
	3281-3289	
	3291-3292	
	3307-3312	
	3381-3384	
	3390-3392	
	3393-3395	
	3500	
	3502	
	3610	

Appendix A

TABLE 13. Detailed Average Weekly Food Expenditure by Region and Province, Canada, 10 provinces, 1982 - Continued

All Families and Unattached Individuals

		Region and province - Région et la province													
		All classes Toutes catégories		Atlantic Provinces Provinces de l'Atlantique		Newfoundland Terre-Neuve		Prince Edward Island Île-du-Prince-Édouard		Nova Scotia Nouvelle-Écosse		New Brunswick Nouveau-Brunswick		Québec	
		Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.
	Food purchased from stores local & day trip														
1000-1092	Meat & meat preparations	14.72	77.7	13.93	78.7	19.62	85.7	12.50	75.6	12.12	76.2	12.33	77.2	17.22	82.2
1000-1050	Fresh or frozen meat (ex. poultry)	7.98	57.7	6.58	59.2	7.72	67.2	5.50	53.3	6.17	57.2	6.51	57.0	9.94	67.8
1000-1007	Beef	5.69	69.1	4.65	50.2	5.00	53.8	3.92	46.6	4.65	49.8	4.59	48.9	7.64	61.6
1000	Rib cuts (ex. shank cuts)	1.14	13.8	.70	10.4	.63	8.8	.51	8.6	.78	11.8	.70	10.5	1.71	21.2
1001	Loin cuts	.72	8.5	.49	6.7	.61	6.4	.30	5.0	.45	6.7	.50	7.3	1.08	13.1
1002	Rib cuts	.32	3.6	.19	2.5	...	...	.35	4.5	.20	2.5	...	...	.37	3.9
1003	Chuck cuts (ex. shank cuts)	.74	8.7	.80	10.8	1.11	15.0	.68	9.2	.78	11.0	.62	7.9	.82	9.2
1004	Stewing beef	.19	4.4	.26	7.1	.28	8.0	.16	4.7	.27	7.3	.27	6.8	.22	4.0
1005	Ground beef (incl. patties)	1.80	34.0	1.71	35.2	1.51	33.9	1.89	35.4	1.52	35.3	2.05	35.9	2.71	44.9
1006-1007	Other beef (incl. shank cuts)	.77	1.8	.50	2.1	.69	5.8	...	...	...	...	...	...	.74	2.3
1006	Carcasses & primal portions	.70	.5	...	...	...	...	...	...	...	...	...	...	...	...
1007	All other (incl. brisket, shank)	.08	1.3	.12	1.7	.42	5.5	...	...	...	...	...	...	.11	1.8
1010-1015	Pork	1.77	24.4	1.71	27.4	2.44	39.3	1.40	25.1	1.28	22.8	1.75	24.6	1.59	24.2
1010	Leg cuts (ex. hocks)	.06	.9	.07	1.2	...	...	...	...	...	...	...	...	.07	1.2
1011	Loin cuts	.99	16.2	1.01	18.5	1.43	24.6	.94	19.2	.85	16.3	.91	16.2	.83	13.9
1012	Belly cuts	.26	4.8	.20	4.4	.30	6.8	.23	4.2	.18	3.8	.14	3.5	.24	5.0
1013	Shoulder cuts (ex. hocks)	.20	3.2	.27	5.5	.56	10.8	...	...	.14	3.1	.26	6.8	.14	2.2
1014-1015	Other pork (incl. hocks)	.27	3.3	.15	2.1	.09	3.1	...	...	...	...	.39	2.7	.32	6.0
1014	Carcasses & primal portions	.15	.4	...	...	...	...	...	...	...	...	...	...	...	...
1015	All other (incl. hocks)	.12	2.9	.05	1.8	.09	2.9	...	...	...	...	...	...	.27	5.6
1020-1050	Other fresh or frozen meat	.52	11.3	.22	7.7	.28	8.1	.18	8.0	.24	8.1	.18	6.9	.70	14.3
1020	Veal	.22	2.8	...	...	...	...	...	...	...	...	...	...	.35	5.6
1030	Lamb & mutton	.14	1.7	.07	.8	...	...	...	...	...	...	...	...	.14	1.6
1040-1041	Offal from mammals	.14	7.5	.13	6.7	.18	6.8	.14	7.3	.11	6.8	.11	6.4	.17	8.4
1040	Liver	.10	5.7	.10	5.4	.14	5.4	.09	5.4	.08	5.5	.08	5.1	.13	6.5
1041	Other offal	.04	2.1	.03	1.5	...	...	...	...	...	...	...	...	.04	2.3
1050	All other meat (rabbit, goat, etc.)	.02	.2	...	...	...	...	...	...	...	...	...	...	...	...
1060-1062	Fresh or frozen poultry meat	2.28	30.9	2.62	37.0	4.35	52.3	2.57	35.0	2.01	32.8	2.06	30.8	2.42	33.9
1060	Chicken (incl. fowl)	1.83	28.2	2.09	33.6	3.46	47.2	2.00	32.1	1.58	29.8	1.67	28.2	2.08	31.6
1061	Turkey	.40	3.5	.47	5.3	.74	10.6	.55	4.5	.38	3.6	.37	3.4	.31	2.5
1062	Other poultry meat & offal	.05	.9	.06	1.8	.15	5.0	...	...	...	...	...	...	.03	.7
1070-1092	Other meat & meat preparations	4.46	62.2	4.73	65.7	7.36	75.6	4.42	66.3	3.94	61.8	3.76	62.9	4.87	66.3
1070-1073	Cured meat	1.32	26.7	1.48	33.6	2.41	44.6	1.34	35.7	1.13	29.3	1.23	29.8	1.48	27.4
1070	Bacon	.63	19.6	.73	25.5	.79	27.9	.92	30.6	.63	22.9	.76	25.3	.85	16.6
1071	Ham (ex. cooked ham)	.63	8.5	.46	8.5	.56	11.5	.37	6.6	.47	8.1	.42	7.1	.94	11.8
1073	Other cured meat	.07	1.9	.28	5.4	1.06	18.1	...	...	...	...	...	...	.09	3.0
1080-1086	Ready-cooked meat prep. (ex. canned)	2.75	51.8	2.40	52.5	3.30	62.3	2.24	49.5	2.23	48.5	1.97	50.6	2.94	56.3
1080	Uncooked sausage	.43	12.9	.26	11.5	.29	11.7	.23	11.3	.26	11.3	.25	11.5	.44	15.6
1081	Bologna	.22	9.9	.47	18.8	.91	30.5	.36	19.5	.31	14.6	.36	16.9	.22	11.0
1082	Wieners	.37	14.8	.48	20.3	.41	18.5	.51	21.8	.34	21.5	.45	19.8	.32	14.1
1083	Other cooked/cured sausage	.45	13.1	.26	11.0	.23	7.9	.20	9.4	.32	13.1	.22	11.3	.33	11.3
1084	Cooked (boiled) ham	.53	16.4	.55	19.7	.76	25.3	.66	23.8	.45	16.1	.49	18.7	.69	20.5
1085	Other ready-cooked meat	.59	15.4	.35	10.3	.65	16.0	.22	7.0	.33	10.5	.17	6.5	.54	14.9
1086	Other meat preparations	.17	6.7	.04	2.3	.04	3.0	...	...	...	...	.04	2.3	.39	14.2
1090-1092	Canned meat & meat preparations	.39	13.2	.85	26.5	1.65	43.5	.84	27.5	.58	20.8	.55	20.0	.45	16.8
1090	Hams	.04	1.1	.05	1.8	...	...	...	...	...	...	...	...	.03	1.0
1091	Meat stews	.05	1.9	.08	3.5	.18	8.1	...	...	.06	2.4	...	...	.08	3.5
1092	Other canned meat & meat prep.	.30	11.2	.72	23.9	1.61	40.3	.66	24.6	.49	18.3	.48	17.8	.34	13.8
1100-1150	Fish and other marine products	1.65	32.2	2.10	39.5	1.90	37.6	1.72	40.0	2.22	41.5	2.23	38.5	1.74	33.4
1100-1132	Fish	1.34	30.0	1.96	36.4	1.75	35.9	1.35	37.3	1.94	38.1	1.69	34.4	1.40	30.9

TABLE 13. Detailed Average Weekly Food Expenditure by Region and Province, Canada, 10 provinces, 1982 - Continued

All Families and Unattached Individuals

		Region and province - Région et la province													
		All classes Toutes catégories		Atlantic Provinces Provinces de l'Atlantique		Newfoundland Terre-Neuve		Prince Edward Island Ile-du-Prince-Édouard		Nova Scotia Nouvelle-Écosse		New Brunswick Nouveau-Brunswick		Québec	
		Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.
1100-1107	Fresh or frozen fish (ex. portions)	.59	12.2	.64	14.3	.70	11.9	.62	18.4	.67	16.3	.57	12.6	.81	16.7
1100	Cod	.10	2.7	.13	3.5	.20	5.0	...	...	...	...	.17	4.0	.14	3.5
1101	Flounder & sole	.11	2.5	.03	.8	...	...	...	...	...	...	...	...	.24	6.9
1102	Haddock	.06	1.7	.15	4.1	...	...	...	...	.27	7.8	.12	3.2	.10	3.0
1103-1107	Other fresh or frozen fish	.32	6.2	.34	7.1	.49	7.1	.39	11.5	.31	7.0	.23	6.1	.33	6.7
1103	Ocean perch	.02	.5	...	...	...	...	...	...	...	...	...	...	...	...
1104	Pollock (bluefish)	.01	.3	...	...	...	...	...	...	...	...	...	...	...	...
1105	Salmon	.08	1.1	.09	.9	...	...	...	...	...	...	...	...	...	...
1106	Other sea fish	.12	2.7	.18	4.9	.21	5.0	.24	8.0	.18	5.0	.15	3.8	.08	1.3
1107	Freshwater fish	.09	1.9	.05	1.0	...	...	...	...	...	...	...	...	.13	3.2
1110	Pre-cooked frozen fish portions	.15	4.3	.19	6.5	.21	7.9	.24	5.4	.18	6.2	.19	6.2	.10	2.3
1120	Cured fish	.04	1.0	.12	3.1	.28	5.1	...	...	.10	3.4	...	...	.04	.7
1130-1132	Canned fish	.56	17.9	.60	20.4	.57	18.4	.45	18.8	.59	21.4	.69	21.1	.39	14.4
1130	Salmon	.25	8.6	.23	8.6	.13	5.5	.23	11.2	.22	8.9	.31	9.9	.19	7.5
1131	Tuna	.24	8.7	.31	11.6	.38	13.5	.18	6.9	.31	12.2	.30	10.9	.14	5.4
1132	Other canned fish	.06	3.3	.07	4.1	.06	3.6	...	...	.07	4.0	.07	5.2	.06	3.3
1140-1150	Other marine products	.31	4.6	.55	7.2	.15	3.7	.37	7.4	.68	7.4	.74	9.5	.34	5.0
1140-1141	Shellfish	.31	4.5	.54	7.0	.12	3.0	.37	7.4	.68	7.4	.74	9.5	.34	5.0
1140	Shrimps & prawns	.14	2.2	.07	1.7	...	...	...	...	...	...	.11	3.1	.13	2.6
1141	Other shellfish	.17	2.8	.47	5.8	...	...	.33	6.2	.62	6.7	.63	7.4	.20	2.9
1150	All other marine products	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1160-1180	Dairy products & eggs	9.45	90.2	9.89	90.7	10.61	89.8	9.98	83.4	9.57	92.6	9.71	91.3	9.76	91.7
1160-1177	Dairy products	8.49	89.0	8.61	89.5	8.89	88.5	8.83	82.0	8.49	92.1	8.48	89.2	8.86	91.0
1160	Cream (ex. sour cream)	.17	11.2	.11	8.4	.12	10.0	.06	4.6	.14	10.9	.06	5.3	.17	11.4
1161	Fluid whole milk	1.39	33.9	1.90	41.3	1.28	31.7	1.98	39.5	2.06	45.3	2.16	44.2	1.78	44.8
1162	Low-fat milk (2%)	2.25	52.0	2.14	43.1	1.72	38.1	2.33	39.2	2.31	45.6	2.20	45.1	1.77	44.1
1163	Fluid skim milk	.11	4.5	.11	4.8	...	...	.09	5.1	.20	7.8	.07	3.5	.08	3.5
1165	Yogurt	.25	11.4	.15	6.6	.16	6.0	...	...	.18	8.3	.12	6.1	.42	18.1
1166	Butter	.86	26.2	.48	15.7	.28	10.4	1.22	33.4	.44	15.0	.47	15.7	1.01	30.2
1167	Cheddar cheese	.66	19.5	.46	16.1	.50	17.3	.39	13.6	.44	15.1	.47	17.1	.76	21.7
1168	Grated cheese	.05	1.8	.02	.9	...	...	...	...	...	...	...	...	.09	3.1
1169	Process cheese	.78	23.2	.92	30.0	1.16	38.4	.88	29.7	.71	24.0	1.00	30.8	.83	26.7
1170	Cottage cheese	.21	9.3	.14	7.2	.17	7.6	.09	4.6	.16	8.7	.12	5.9	.13	5.3
1171	Other cheese	.74	20.0	.39	13.0	.34	12.3	.25	9.1	.49	14.8	.34	12.3	.96	26.1
1173	Skim milk powder	.08	1.3	.11	2.4	.11	3.2	...	...	...	...	.13	2.3	.09	1.3
1174	Condensed or evaporated milk	.21	8.1	.87	24.4	2.09	49.7	.57	19.1	.43	17.3	.56	15.0	.13	5.5
1175	Ice cream & ice milk	.52	17.2	.60	21.2	.65	24.0	.60	20.3	.58	20.3	.58	20.3	.55	19.5
1176	Ice cream or ice milk novelties	.07	3.2	.09	5.0	.12	7.7	...	...	.12	5.5	.06	3.4	.06	2.8
1177	Other dairy products	.16	11.2	.12	8.2	.12	7.7	.10	8.7	.12	9.0	.11	7.6	.07	4.9
1180	Eggs	.96	46.6	1.28	53.1	1.72	61.7	1.15	51.3	1.08	49.1	1.23	51.8	.91	48.3
1190-1217	Cereal grains & cereal products	6.70	86.5	6.85	85.4	8.32	87.5	6.17	80.3	6.35	85.3	6.52	85.3	7.44	90.8
1190-1197	Bakery products (ex. frozen)	4.50	82.7	4.23	80.3	4.58	81.0	3.74	74.0	4.12	80.7	4.22	81.0	5.40	88.6
1190	Bread	1.99	71.7	1.91	68.8	1.76	62.8	1.63	61.1	2.00	71.4	2.00	72.3	2.42	81.6
1191	Unsweetened rolls & buns	.48	26.9	.38	20.7	.33	22.6	.42	26.3	.39	25.0	.41	25.3	.42	24.0
1192	Crackers & crisp breads	.28	15.5	.36	21.8	.52	27.8	.29	20.6	.33	20.6	.31	18.8	.27	15.6
1193	Cookies & sweet biscuits	.79	28.7	.81	31.8	1.17	42.4	.75	32.0	.70	29.0	.68	27.0	1.05	36.8
1194	Doughnuts	.15	7.4	.16	8.2	.13	7.0	.14	7.6	.15	7.6	.21	9.9	.14	7.4
1195	Yeast-raised sweet goods	.07	3.8	.05	3.0	.07	3.9	...	...	.04	2.8	.04	2.6	.03	1.6
1196	Dessert pies, cakes & other pastries	.64	21.2	.47	18.3	.53	21.7	.41	17.5	.46	15.5	.48	19.2	.96	30.6
1197	Other bakery products	.12	6.5	.08	4.6	.08	5.4	...	...	.07	4.4	.08	4.7	.11	6.4
1200-1202	Pasta products	.45	23.2	.53	28.4	.77	38.6	.31	21.0	.45	26.3	.49	25.1	.47	25.8
1200	Canned pasta products	.08	5.1	.19	12.2	.41	23.4	.09	7.7	.15	10.6	.10	6.7	.04	2.7
1201	Dry or fresh pasta	.28	15.4	.20	13.2	.18	13.8	.14	9.2	.17	11.9	.27	15.5	.39	21.7
1202	Pasta mixes	.09	6.4	.13	10.7	.18	14.6	.09	8.3	.13	10.3	.12	8.9	.04	3.4
1210-1217	Other cereal products	1.74	65.4	2.10	51.6	2.96	63.3	2.12	54.5	1.78	46.5	1.81	48.1	1.96	65.6
1210	Rice (incl. mixes)	.24	8.2	.16	7.9	.29	14.7	...	...	.13	6.2	.11	6.1	.26	10.6
1211-1212	Flour	.38	9.5	.66	13.9	1.20	29.3	.55	8.9	.47	9.1	.52	9.2	.35	9.8
1211	Wheat flour	.37	9.0	.65	13.7	1.17	29.2	.48	8.3	.47	8.9	.51	9.1	.34	9.4
1212	Other cereal flour	.01	.4	...	...	...	...	...	...	...	...	...	...	...	...
1213	Cereal starches	.01	.7	.01	1.0	...	...	...	...	...	...	...	...	...	...
1214	Other grains, unmilled or milled	.07	4.6	.07	5.1	.07	4.6	.12	8.2	.07	4.8	.06	5.0	.04	2.6
1215	Breakfast cereal	.74	27.9	.78	32.4	.64	30.9	.92	38.0	.80	31.8	.83	32.6	.67	27.9
1216	Cake & other flour-based mixes	.21	10.	.34	16.2	.68	28.9	.32	17.2	.25	12.5	.21	10.8	.18	9.1

TABLE 13. Detailed Average Weekly Food Expenditure by Region and Province, Canada, 10 provinces, 1982 - Continued

All Families and Unattached Individuals

		Region and province - Région et la province													
		All classes Toutes catégories		Atlantic Provinces Provinces de l'Atlantique		Newfoundland Terre-Neuve		Prince Edward Island Ile-du-Prince-Edouard		Nova Scotia Nouvelle-Écosse		New Brunswick Nouveau-Brunswick		Québec	
		Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.
1217	Other cereal grain products	.08	5.4	.07	5.6	.07	5.8	.08	5.8	.05	4.6	.08	6.8	.06	3.9
1220-1292	Fruit, fruit preparations & nuts	5.53	76.6	4.68	74.1	6.04	79.5	3.80	71.0	4.25	76.0	4.40	70.9	5.75	80.8
1220-1287	Fruit & fruit preparations	5.22	75.9	4.50	73.5	5.92	79.3	3.62	70.8	4.10	73.5	4.16	69.8	5.49	80.4
1220-1236	Fresh fruit	3.07	65.7	2.29	59.7	2.63	63.2	1.96	56.9	2.11	59.1	2.33	58.6	3.41	70.9
1220	Apples	.72	31.2	.70	31.3	.89	42.1	.69	32.2	.58	24.7	.71	30.8	.86	36.2
1221	Bananas & plantains	.44	35.4	.38	30.6	.42	28.8	.35	29.8	.38	31.9	.37	30.6	.42	39.3
1222	Cherries	.04	1.5	...	...	...	...	...	...	...	...	...	...	.03	1.4
1223	Grapefruit	.12	8.4	.11	8.1	.13	8.4	.08	6.6	.11	9.1	.10	7.2	.13	8.9
1224	Grapes	.31	12.8	.15	7.3	.21	9.9	...	..	.11	5.8	.17	8.6	.37	15.1
1225	Lemons & limes	.06	4.7	.02	2.3	...	...	...	...	.02	2.6	.02	2.8	.05	5.7
1226	Melons	.14	7.3	.06	3.2	.07	3.0	...	...	.07	3.8	.06	3.2	.13	6.7
1227	Oranges & other citrus fruit	.59	23.7	.49	21.9	.62	31.1	.39	17.4	.38	18.7	.55	19.8	.66	26.6
1228	Peaches & nectarines	.19	7.4	.07	3.4	...	...	...	...	.09	4.4	.08	3.2	.20	8.5
1229	Pears	.13	6.9	.06	3.7	.05	3.3	...	...	.05	2.9	.07	5.6	.15	8.0
1230	Plums	.09	3.9	.06	3.7	.12	5.4	...	...	.05	2.7	...	...	.10	4.3
1231	Other tropical fruit	.06	3.4	.01	.8	...	...	...	...	...	...	...	...	.06	3.8
1232	Blueberries	.02	.6	...	...	...	...	...	...	...	...	...	...	.03	1.1
1233	Strawberries	.12	3.9	.12	2.3	...	...	...	...	.19	3.2	...	...	.17	4.5
1234	Other fresh fruit	.05	1.7	.02	1.0	...	...	...	...	...	...	...	...	.05	1.5
1240-1287	Other fruit & fruit preparations	2.15	52.0	2.22	55.4	3.29	67.3	1.66	49.6	1.99	54.6	1.83	48.7	2.08	55.2
1240-1241	Frozen fruit	.02	.9	.02	1.0	...	..	...	...	...	...	...	...	.02	.8
1240	Strawberries	.01	.6	.02	.7	...	...	...	...	...	...	...	...	...	...
1241	Other frozen fruit	.01	.4	...	...	...	...	...	...	...	...	...	...	...	...
1250-1253	Dried or other preserved fruit	.21	7.7	.23	9.4	.33	14.3	.24	11.6	.22	8.6	.17	5.9	.18	7.5
1250	Dates	.03	1.2	.03	1.7	...	...	...	...	...	...	...	...	.04	1.6
1251	Raisins	.11	4.6	.12	6.2	.19	10.1	.09	5.4	.12	5.8	.07	3.9	.09	4.5
1252	Other dried fruit	.06	2.5	.05	2.9	.08	4.5	...	...	.05	2.6	...	...	.04	1.8
1253	Preserved fruit (ex. canned)	.02	.5	.02	.8	...	...	...	...	...	...	...	...	...	...
1260-1263	Fruit juice (ex. concentrated)	.73	25.2	.87	30.6	1.38	42.7	.60	26.0	.77	28.9	.67	24.7	.72	27.4
1260	Apple juice	.30	12.0	.40	17.0	.76	30.0	.32	16.4	.30	13.9	.26	10.8	.20	10.5
1261	Grapefruit juice	.05	2.3	.04	2.1	.07	3.2	...	...	...	...	...	...	.05	2.5
1262	Orange juice	.19	8.6	.25	11.0	.37	17.8	.12	4.7	.27	11.2	.19	7.4	.22	10.2
1263	Other fruit juice	.19	8.3	.18	8.2	.18	8.3	.12	5.3	.16	7.7	.20	9.4	.25	11.4
1270-1271	Concentrated fruit juice	.57	19.5	.57	15.5	.50	17.9	.34	14.0	.32	16.0	.32	13.5	.52	19.6
1270	Orange juice	.43	16.3	.31	13.5	.45	16.3	.31	12.6	.26	13.7	.25	11.4	.37	15.9
1271	Other fruit juice	.13	5.2	.06	2.9	.06	3.9	...	..	.06	3.2	.07	2.7	.14	6.3
1280-1287	Canned fruit & fruit preparations	.62	25.0	.73	30.8	1.01	41.6	.66	22.5	.66	29.7	.66	26.0	.65	26.0
1280	Apple sauce	.02	2.0	.02	1.9	...	...	...	...	.03	2.4	...	...	.02	1.3
1281	Peaches	.08	4.8	.12	7.7	.15	9.8	.11	6.3	.11	7.9	.11	6.2	.09	5.8
1282	Pears	.04	2.4	.05	3.9	.09	6.4	...	...	.04	3.0	.05	3.6	.05	3.6
1283	Pineapple	.08	5.5	.10	7.7	.13	9.7	...	..	.12	8.8	.08	6.1	.06	4.6
1284	Mixed fruit	.08	4.7	.10	6.2	.18	10.3	...	...	.08	5.2	.07	4.9	.09	5.3
1285	Other canned fruit	.07	3.9	.08	5.0	.12	7.7	...	...	.07	4.3	.08	4.7	.08	3.7
1286	Jam, jelly & other preserves	.21	9.8	.21	11.2	.30	15.4	.16	10.0	.19	10.1	.20	9.6	.23	10.6
1287	Fruit pie fillings	.05	1.8	.04	2.1	...	...	...	...	...	...	.06	2.5	.02	1.0
1290-1292	Nuts	.31	11.5	.18	8.4	.12	6.4	.18	9.5	.15	8.2	.24	9.9	.26	10.2
1290	Unshelled nuts	.05	2.1	.02	1.3	...	...	...	...	...	...	...	...	.05	2.6
1291	Shelled peanuts	.08	3.6	.04	2.2	...	...	...	...	...	...	.05	2.9	.07	3.5
1292	Other shelled nuts	.18	7.0	.12	5.6	.07	3.7	.13	6.9	.11	5.9	.15	6.2	.13	5.1
1300-1361	Vegetables & vegetable preparations	4.69	76.7	4.41	76.1	6.08	83.8	3.32	70.8	3.96	74.9	3.98	73.2	5.34	81.9
1300-1320	Fresh vegetables	3.02	69.4	2.66	65.6	3.91	76.8	1.84	59.0	2.26	63.1	2.41	62.0	3.45	75.7
1300	Green or wax beans	.05	3.6	.02	1.6	...	...	...	...	...	...	...	...	.08	5.4
1301	Broccoli	.10	7.9	.04	2.4	...	...	...	...	.05	3.4	...	...	.09	6.7
1302	Brussels sprouts	.02	1.6	...	...	...	...	...	...	...	...	...	...	.02	1.3
1303	Cabbage	.09	9.5	.13	11.9	.36	28.8	.04	4.9	.05	5.9	.08	8.1	.10	10.7
1304	Carrots	.20	18.3	.28	25.3	.45	41.9	.23	19.7	.21	20.0	.25	20.7	.25	22.8
1305	Cauliflower	.09	6.0	.03	1.9	...	...	...	...	.03	2.3	.03	2.3	.06	4.2
1306	Celery	.17	16.2	.08	8.8	.06	4.9	.07	9.9	.08	10.1	.09	10.0	.22	21.2
1307	Corn	.07	4.2	.04	2.4	...	..	...	...	.05	2.5	.05	3.1	.10	5.1
1308	Cucumbers	.13	13.5	.10	10.1	.03	3.2	.13	12.7	.10	11.1	.14	14.0	.14	15.1
1309	Lettuce	.33	29.2	.20	19.1	.18	15.3	.17	14.1	.18	18.8	.25	23.2	.43	34.8
1310	Mushrooms	.13	8.0	.06	3.5	...	...	...	...	.08	5.0	.06	3.8	.13	7.7
1311	Onions	.22	22.4	.21	19.5	.30	30.6	.13	12.1	.17	16.4	.17	16.6	.22	24.1

TABLE 13. Detailed Average Weekly Food Expenditure by Region and Province, Canada, 10 provinces, 1982 - Continued

All families and Unattached Individuals

		Region and province - Région et la province													
		All classes Toutes catégories		Atlantic Provinces Provinces de l'Atlantique		Newfoundland Terre-Neuve		Prince Edward Island Île-du-Prince-Édouard		Nova Scotia Nouvelle-Écosse		New Brunswick Nouveau-Brunswick		Québec	
		Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.
1312	Peppers	.10	11.6	.07	8.8	.07	7.6	.06	7.7	.07	9.5	.07	9.2	.13	14.3
1313	Potatoes	.53	25.4	.76	27.7	1.46	42.9	.43	20.5	.57	26.0	.54	20.0	.57	27.4
1314	Radishes	.03	4.6	.01	2.0	...	...	...	...	.01	2.3	.02	2.9	.03	5.0
1315	Spinach	.04	3.4	.03	1.8	...	...	...	...	.04	3.0	...	...	.03	2.9
1316	Tomatoes	.45	28.5	.35	25.9	.31	25.6	.24	20.3	.35	25.4	.40	28.4	.60	32.9
1317	Turnips & rutabagas	.05	7.1	.18	18.7	.50	40.9	.09	13.8	.08	12.6	.08	10.5	.06	10.6
1318	Other seed & gourd vegetables	.06	4.5	.03	2.3	...	...	...	...	.04	3.1	.03	2.4	.05	3.3
1319	Other root vegetables	.05	4.3	.03	3.2	.05	4.6	...	...	.03	2.9	.03	2.4	.04	4.1
1320	Other leaf & stalk vegetables	.11	6.4	.03	1.6	...	...	...	...	.03	2.6	...	...	.10	5.8
1330-1361	Vegetable preparations (ex. condiments	1.67	48.8	1.75	54.8	2.17	63.1	1.48	52.4	1.70	54.6	1.58	49.5	1.89	55.8
1330-1334	Frozen vegetables	.34	14.3	.44	20.3	.67	30.1	.39	19.1	.42	19.1	.29	14.7	.17	8.6
1330	Green or wax beans	.02	.9	.01	.7	...	...	...	...	...	...	...	...	...	...
1331	Corn	.04	1.9	.01	.7	...	...	...	...	...	...	...	...	...	...
1332	Peas	.06	3.3	.05	2.9	...	...	...	...	.06	1.7	.05	3.2	.01	.9
1333	Potato products	.11	6.7	.25	13.6	.52	24.2	.24	12.6	.18	10.8	.14	9.4	.11	5.7
1334	Other frozen vegetables	.12	5.6	.11	5.8	.11	6.7	.10	5.4	.14	6.7	.08	4.0	.04	2.4
1340	Dried vegetables	.07	3.8	.08	5.4	.13	10.9	.06	4.1	.07	4.2	.05	2.9	.07	3.6
1350-1361	Canned vegetables & vegetable preps.	1.25	42.3	1.24	47.5	1.38	54.1	1.03	43.9	1.21	47.5	1.23	43.7	1.65	52.4
1350	Green or wax beans	.08	6.2	.13	9.9	.08	7.3	.19	11.2	.14	11.2	.14	10.0	.12	9.0
1351	Baked beans	.11	7.2	.12	8.3	.14	9.3	.10	9.0	.12	8.7	.10	6.9	.08	5.6
1352	Other beans	.06	4.3	.08	6.2	.11	9.3	.07	6.5	.09	6.4	.05	3.5	.02	1.5
1353	Beets	.02	1.4	.02	2.0	.06	5.2	...	...	...	...	...	...	.02	1.7
1354	Carrots	.01	.6	...	...	...	...	...	...	...	...	...	...	.01	.9
1355	Corn	.14	10.2	.16	13.3	.20	16.4	.08	7.6	.13	12.6	.17	13.3	.16	12.6
1356	Mushrooms & truffles	.17	9.0	.18	10.0	.17	9.3	.13	7.6	.18	11.0	.19	10.1	.19	11.2
1357	Peas	.10	8.3	.14	12.8	.16	16.2	.13	13.3	.12	11.1	.14	12.1	.16	13.0
1358	Tomatoes (incl. paste	.24	13.6	.19	12.5	.18	11.9	.12	7.3	.20	13.8	.20	13.0	.35	17.8
1359	Other canned vegetables	.10	5.9	.10	7.6	.16	13.5	.08	5.3	.10	7.5	.06	4.0	.13	7.7
1360	Tomato juice	.14	8.5	.10	6.0	.08	5.5	.11	6.8	.09	5.5	.12	6.6	.28	17.4
1361	Other canned vegetable juice	.08	3.9	.03	1.8	...	...	...	...	...	...	.05	2.4	.13	7.3
1370-1376	Condiments, spices & vinegar	1.14	38.4	1.16	39.5	1.56	48.2	1.10	37.1	.93	36.3	1.15	37.4	1.28	44.3
1370	Pickles (incl. olives	.22	9.1	.17	9.3	.25	14.0	.09	4.8	.14	7.6	.18	9.1	.21	9.2
1371	Relishes	.03	2.0	.03	2.7	.04	3.2	...	...	..	...	.04	3.2	.04	2.7
1372	Ketchup	.16	7.8	.26	12.3	.43	21.0	.28	14.0	.17	8.3	.22	10.0	.16	8.4
1373	Other sauces & sauce mixes	.25	14.4	.17	10.7	.18	11.5	.18	11.6	.15	9.7	.17	10.9	.37	21.0
1374	Mayonnaise & salad dressings	.26	13.3	.32	17.4	.44	23.7	.34	15.9	.27	16.3	.28	14.4	.23	12.8
1375	Other condiments (incl. vinegar)	.10	7.2	.10	7.8	.11	9.2	.09	7.4	.10	7.3	.09	7.5	.10	8.4
1376	Spices	.13	5.8	.12	6.1	.10	6.0	.10	6.9	.08	5.0	.17	7.2	.15	6.7
1380-1395	Sugar & sugar preparations	1.31	41.5	1.40	45.9	1.70	54.6	1.36	43.8	1.21	42.5	1.43	44.1	1.46	44.2
1380-1381	Sugar & syrup	.59	21.7	.75	29.3	.95	36.6	.76	28.4	.62	26.6	.74	27.2	.69	23.6
1380	Sugar	.47	18.5	.59	24.9	.76	31.7	.62	24.4	.48	21.9	.58	23.6	.51	19.8
1381	Syrup & molasses	.12	4.9	.16	8.5	.20	11.3	.14	7.8	.14	7.5	.16	7.8	.19	6.1
1390-1395	Sugar preparations (inc. confectionery)	.72	9	.66	27.4	.74	30.8	.60	25.8	.59	25.7	.69	27.1	.77	28.9
1390	Gum	.04	3.9	.02	3.0	...	...	...	...	.02	3.0	.02	3.1	.04	3.9
1391	Chocolate bars	.17	10.1	.17	11.5	.30	18.2	.08	7.1	.14	9.8	.14	9.7	.17	9.0
1392	Other chocolate confections	.16	4.4	.11	2.8	...	...	...	...	.10	2.8	.09	2.5	.21	5.9
1393	Sugar candy	.16	8.4	.15	8.3	.09	6.2	.13	10.2	.15	8.5	.20	9.3	.19	9.7
1394	Other sugar confections	.13	7.6	.13	7.5	.11	7.7	.14	8.1	.12	6.7	.17	8.2	.10	6.5
1395	Other sugar preparations	.06	3.4	.07	3.4	.08	4.5	...	...	.06	3.1	.07	3.1	.05	3.0
1410-1420	Coffee & tea	1.51	30.5	1.32	33.2	1.56	38.6	1.23	30.5	1.24	33.2	1.26	29.9	1.52	31.6
1410-1411	Coffee	1.15	22.0	.70	15.5	.64	14.5	.67	14.6	.67	14.7	.80	17.4	1.26	24.9
1410	Roasted or ground coffee	.51	10.7	.18	4.2	...	...	.20	4.2	.18	4.2	.24	5.6	.37	8.5
1411	Other coffee	.64	12.4	.52	11.7	.54	12.4	.46	10.6	.50	10.8	.56	12.6	.89	17.3
1420	Tea	.36	13.5	.62	23.6	.92	32.1	.57	22.4	.57	23.3	.45	17.7	.26	11.3
1430-1433	Fats & oils	1.00	34.6	1.25	42.7	1.62	52.7	1.10	40.7	1.09	39.1	1.21	39.9	1.10	39.5
1430	Margarine	.61	26.6	.90	35.1	1.28	46.9	.61	25.6	.76	31.9	.86	32.7	.70	31.3
1431	Shortening	.07	3.7	.17	10.1	.19	10.8	.21	14.3	.13	9.1	.19	9.6	.08	4.2
1432	Lard	.05	2.9	.05	3.3	...	...	.11	8.0	.05	3.4	.06	3.3	.04	2.1
1433	Cooking salad oil	.27	8.3	.13	5.4	.13	5.8	.16	7.4	.15	5.6	.09	4.4	.28	8.9
1440-1469	Other foods, food materials & food preps.	3.21	62.7	3.40	66.0	4.00	72.4	3.48	62.6	2.97	63.5	3.43	65.2	3.21	62.4
1440-1441	Soup	.60	29.8	.57	31.5	.62	35.8	.58	25.9	.52	30.2	.59	31.4	.60	33.5
1440	Canned soup	.48	25.7	.51	29.4	.56	33.4	.51	23.6	.46	28.3	.52	29.1	.45	27.2
1441	Dried soup	.11	7.4	.06	4.5	.06	4.4	.06	4.5	.05	4.0	.07	5.2	.16	10.7

TABLE 13. Detailed Average Weekly Food Expenditure by Region and Province, Canada, 10 provinces, 1982 - Continued

All Families and Unattached Individuals

		Region and province - Région et la province													
		All classes Toutes catégories		Atlantic Provinces Provinces de l'Atlantique		Newfoundland Terre-Neuve		Prince Edward Island Ile-du-Prince-Edouard		Nova Scotia Nouvelle-Ecosse		New Brunswick Nouveau-Brunswick		Québec	
		Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.	Av. per fam. Moy. par fam.	% rptg. % décl.
1450-1452	Infant or junior foods	.24	2.9	.23	3.2	.27	5.3	...	...	...	...	.33	4.1	.26	3.1
1450	Canned infant or junior foods	.11	2.1	.10	2.5	.15	4.8	...	...	...	...	.14	2.8	.11	2.3
1451	Infant cereals & biscuits	.02	.9	.02	1.2	...	...	...	...	...	...	...	...	.02	1.1
1452	Infant formula	.11	.7	.10	.8	...	...	...	...	...	...	...	...	...	...
1460-1463	Pre-cooked frozen food preparations	.41	11.9	.45	13.4	.56	17.9	.58	14.8	.41	12.4	.37	10.7	.40	12.1
1460	Pre-cooked frozen dinners	.09	2.3	.11	3.0	.15	4.1	...	...	.10	3.0	...	...	.07	1.6
1461	Dessert pies, cakes & other pastries	.09	3.9	.09	4.4	.15	6.8	...	...	.08	3.9	.07	3.4	.11	4.5
1462	Frozen meat or poultry pies	.06	2.2	.06	2.2	...	...	...	...	.05	2.2	.07	2.4	.05	1.8
1463	Other pre-cooked food preparations	.17	5.1	.19	6.1	.22	8.2	.24	8.2	.17	5.5	.16	4.7	.17	5.3
1470	Materials for food preparations	.20	8.5	.29	13.5	.35	17.6	.29	14.7	.25	11.9	.28	11.9	.15	6.7
1480-1492	Other food preparations	1.75	48.4	1.87	53.4	2.20	59.1	1.85	49.9	1.66	50.1	1.87	54.1	1.80	52.2
1480	Potato, vegetable or macaroni salads	.03	1.4	.02	1.3	...	...	...	...	...	...	...	...	.02	1.2
1481	Honey	.12	3.7	.03	1.5	...	...	...	...	...	...	...	...	.11	4.2
1482	Peanut butter	.31	10.0	.33	11.9	.27	10.3	.39	13.9	.36	12.8	.32	11.4	.30	11.0
1483	Dairy product substitutes	.08	4.0	.08	5.1	.11	8.2	.08	5.8	.07	3.5	.09	4.6	.04	2.1
1484	Flavouring extracts & essences	.03	1.5	.03	2.1	...	...	...	...	...	...	...	...	.02	1.1
1485	Flavouring powders & crystals	.22	9.0	.33	14.9	.49	19.9	.26	12.8	.25	12.9	.32	14.1	.22	9.2
1486	Food seasonings (incl. salt)	.11	8.1	.11	9.1	.11	10.9	.12	7.5	.10	8.1	.11	9.5	.09	7.8
1487	Jelly powders	.07	5.4	.07	5.9	.09	9.1	...	...	.05	4.5	.07	5.7	.09	6.9
1488	Prepared dessert powders	.06	4.4	.08	5.4	.08	5.8	.16	10.7	.08	5.1	.06	3.9	.06	4.7
1489	Potato chips & similar products	.35	19.0	.43	24.3	.55	29.3	.33	19.9	.36	21.1	.45	25.6	.42	21.9
1490	Food drink powders	.09	3.5	.07	3.2	.09	3.7	...	...	.07	3.2	.07	2.8	.11	4.3
1491	Canned puddings & custards	.07	2.9	.09	4.1	.16	7.1	...	...	.05	3.3	.07	3.0	.07	3.1
1492	All other food preparations	.20	8.3	.20	10.2	.21	11.4	.21	10.7	.18	8.7	.22	10.9	.26	10.6
1500-1502	Non-alcoholic beverages	1.73	40.2	1.74	46.7	2.53	59.7	1.16	37.5	1.57	43.2	1.50	43.6	2.06	48.1
1500	Carbonated beverages	1.60	37.5	1.65	44.8	2.44	58.0	1.12	36.7	1.47	40.9	1.40	41.7	1.85	43.6
1501	Fruit drinks	.07	3.4	.09	4.6	.09	4.5	...	..	.09	4.8	.09	4.8	.08	4.2
1502	Other non-alcoholic beverages	.06	2.4	...	...	...	...	...	...	...	...	...	...	.12	6.0
1000-1520	**Food purchased from stores**	53.54	94.9	52.88	94.8	66.07	95.6	47.82	86.0	48.26	96.0	49.81	95.1	58.83	95.4
1000-1502	Locally & on day trips	52.63	94.3	52.14	94.4	65.34	95.5	46.93	86.0	47.47	95.6	49.15	94.3	57.88	95.2
1520	While on trips overnight or longer	.91	9.9	.74	9.6	.73	5.1	.89	8.9	.79	12.1	.66	10.2	.95	6.3
	Board paid by family members														
1530-1532	Board paid to private households	.40	1.9	.81	3.4	.8	3.3	2.70	10.6	...	...	.65	3.5	.56	2.9
1530	Day board paid by family members	.16	.8	.34	1.6	...	...	1.92	9.6	...	...	...	...	.22	1.1
1531	Board paid by roomers	...	...	...	...	...	...	...	...	...	...	...	...	...	...
1532	While on trips overnight or longer	.24	1.1	.47	1.8	.75	3.0	...	...	...	...	.61	2.5	.34	1.8
1540	Day board paid to institutions	.19	.7	...	...	...	...	...	...	...	...	...	...	.62	1.4
1560-1573	**Food purchased from restaurants**	18.18	70.1	11.69	57.9	8.99	51.5	10.86	50.1	12.28	61.3	13.29	61.0	15.80	64.6
1560-1563	Purchased locally & on day trips	14.99	65.8	9.44	54.3	7.80	48.0	8.47	48.1	9.96	57.5	10.35	57.1	13.86	61.0
1560	Breakfasts	.72	11.9	.33	6.1	.12	3.3	.38	5.3	.41	6.9	.39	7.5	.66	12.7
1561	Lunches	5.30	44.5	3.43	37.0	2.91	30.9	2.75	30.3	3.48	38.8	3.97	41.3	5.75	41.1
1562	Dinners	6.77	36.3	3.73	26.0	2.75	20.7	3.78	22.1	4.18	29.7	3.92	26.6	5.57	34.3
1563	Between-meals food	2.21	42.6	1.95	35.4	2.01	32.1	1.56	27.5	1.89	33.7	2.07	37.5	1.88	35.9
1570-1573	Purchased on trips overnight or longer	3.19	18.2	2.25	14.7	1.20	10.5	2.39	10.1	2.32	16.1	2.94	17.5	1.94	13.8
1570	Breakfasts	.42	7.7	.27	6.5	.08	3.3	.50	7.6	.27	6.3	.36	8.8	.18	4.3
1571	Lunches	.66	10.2	.56	9.0	.37	5.8	.58	8.3	.51	8.9	.77	12.0	.50	6.7
1572	Dinners	1.85	13.2	1.16	10.9	.50	5.6	1.22	9.2	1.32	12.6	1.45	13.4	1.09	9.7
1573	Between-meals food	.26	6.1	.26	6.9	.25	6.5	.09	5.7	.22	5.6	.36	6.6	.17	4.7
1000-1573	**Total food expenditure**	72.30	97.3	65.46	96.9	75.96	96.2	61.40	95.9	61.13	97.6	63.81	96.9	75.80	97.5

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes catégories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Québec	
		Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl
1000-1572	Food	4131.1	100.0	3898.9	100.0	4858.2	100.0	3224.9	100.0	3857.2	100.0	3884.4	100.0	4211.6	100.0
1000-1520	Food purchased from stores	3196.8	99.6	3314.4	99.2	4139.8	97.7	2684.1	95.5	3149.0	99.3	2987.4	99.9	3313.2	99.3
1000	Locally and on day trips	3164.3	99.5	3291.4	98.9	36.1	24.1	10.7	9.6	20.9	20.9	18.8	24.7	23.7	17.7
1520	While on trips overnight or longer	32.6	26.9	23.0	22.2									27.4	2.6
1530-1532	Board paid to private households	21.9	2.0	47.5	4.0										
1560-1572	Food purchased from restaurants etc	912.4	82.1	626.9	89.1	609.6	87.8	485.3	89.5	657.8	87.0	626.7	92.7	847.3	90.8
1560-1563	Locally and on day trips	759.6	90.8	536.3	87.0	513.9	86.0	397.9	84.5	569.5	85.1	534.8	90.2	737.5	89.3
1570-1572	While on trips overnight or longer	152.7	47.5	90.6	38.9	95.7	35.1	87.4	33.0	88.3	38.2	93.9	43.3	109.8	38.8
2000-2131	Shelter	4742.0	99.8	3458.1	99.7	3161.7	99.9	3751.3	100.0	3897.7	99.7	3312.0	99.5	4206.4	99.7
2000-2096	Principal accommodation	4473.6	99.7	3234.7	99.2	2979.0	99.9	3519.7	99.3	3461.2	99.6	3078.3	99.2	3958.5	99.7
2000-2002	Rented	1305.1	40.6	717.4	27.6	606.0	22.5	832.7	29.0	784.7	27.2	725.6	31.4	1355.0	49.7
2000	Rent	1255.0	40.0	687.2	27.2	571.0	21.7	823.4	28.9	755.9	26.9	693.2	31.0	1261.0	49.1
2001	Tenants' maintenance, repairs & alter	28.1	7.1	22.3	4.1	...	...	...	...	...	...	22.0	6.1	49.2	11.9
2002	Tenants' insurance premiums	22.0	15.9	7.9	8.0	...	...	...	...	9.0	9.2	10.4	9.6	44.8	25.6
2010-2080	Owned	2226.0	82.6	1373.0	73.9	1186.5	79.9	1468.0	72.6	1537.4	74.5	1279.8	89.1	1730.1	52.9
2010-2069	Maintenance, repairs & replacements	286.3	46.5	294.5	57.1	323.0	70.2	428.7	58.7	262.8	53.5	265.8	52.2	248.6	40.5
2010-2029	Contract cost	172.5	19.4	154.6	20.4	84.0	14.1	316.4	29.7	164.9	22.4	155.2	20.7	136.3	15.8
2030-2049	Materials	106.6	38.1	132.1	48.2	221.2	64.5	99.1	41.8	112.3	43.6	100.8	43.9	102.7	34.0
2050-2069	Labour	7.2	3.4	7.9	5.5	...	...	...	...	5.6	5.6	8.8	5.7	8.6	3.5
2070	Condominium charges	28.3	2.2	...	...	...	...	...	...	...	...	...	...	...	...
2071	Property taxes	538.6	61.2	233.6	70.8	158.4	70.2	299.2	72.2	194.1	73.2	172.9	68.0	505.7	52.1
2072	Homeowners insurance premiums	146.2	58.5	120.4	58.5	99.7	52.1	121.1	58.4	122.9	61.6	131.7	59.2	168.7	51.0
2073-2074	Mortgage interest	1107.2	34.0	660.8	30.2	563.2	24.3	569.7	29.6	739.3	32.5	646.4	31.4	724.9	30.6
2075-2080	Other expenditures	121.4	19.1	62.7	13.9	44.0	11.8	109.2	11.4	66.7	15.6	62.6	13.8	71.4	19.6
2090-2096	Water, fuel and electricity	940.5	88.4	1144.3	95.8	1186.6	96.3	1419.0	94.2	1139.1	96.8	1072.8	94.6	873.3	90.0
2090	Water	67.5	48.8	43.5	35.5	51.3	50.0	28.8	17.5	43.1	35.9	41.2	28.0	50.7	43.9
2091	Fuel oil and other liquid fuel	203.5	26.9	509.9	60.0	455.7	48.3	647.6	71.6	587.8	68.5	425.7	55.4	236.9	31.6
2092	Piped gas	204.4	33.3	10.8	2.9	...	...	...	...	...	...	...	...	31.1	7.9
2093-2095	Other fuels	36.5	30.7	86.6	47.1	45.5	41.5	75.0	43.4	104.6	50.4	94.7	47.5	40.4	27.1
2093	Bottled gas	8.6	9.3	17.6	7.9	...	...	26.9	14.9	27.3	10.5	13.6	8.9	1.7	2.3
2094	Fuel wood	24.3	14.5	60.7	28.6	36.4	29.9	43.4	25.6	63.0	26.5	77.7	30.8	37.1	19.9
2095	Other fuel and heating costs	3.6	11.2	8.3	18.5	5.5	14.3	4.7	10.9	14.3	23.7	3.4	16.0	1.6	7.8
2096	Electricity	428.7	87.1	480.4	94.1	630.5	95.7	650.2	94.0	386.8	96.3	504.1	90.1	514.2	89.6
2100-2131	Other accommodation	268.4	46.6	223.3	42.4	182.7	38.4	231.6	38.8	236.5	43.1	233.7	45.0	247.9	40.7
2100-2116	Owned vacation home	55.7	5.7	30.7	5.4	...	...	...	...	26.1	6.4	41.5	5.7	80.7	6.9
2120-2123	Traveller accommodation	154.6	40.8	114.8	36.1	83.3	31.0	170.6	34.8	136.4	37.4	99.9	38.1	126.2	33.6
2120	Hotels	76.0	16.0	56.8	12.7	50.3	14.6	126.7	13.3	59.0	9.7	46.1	15.0	57.4	11.3
2121	Motels	53.4	18.1	42.3	15.3	21.2	6.5	38.5	17.4	59.0	18.6	36.6	16.9	45.1	15.3
2122-2123	Other traveller accommodation	25.2	17.0	15.8	15.9	11.8	15.8	...	...	18.3	15.8	17.2	17.7	23.7	13.6
2130	Rented vacation homes	11.2	2.3	8.0	2.1	...	...	...	...	...	...	...	...	6.5	1.4
2131	Other accommodation away from home	47.0	3.7	69.7	5.3	70.1	7.2	...	...	...	...	89.1	5.8	54.6	4.5
2200-2283	Household operation	1177.1	99.8	1138.4	99.7	1258.3	99.5	100....	99.7	1109.7	100.0	1113.4	99.8	1951.8	99.7
2200-2208	Communications	375.3	99.1	364.9	98.0	429.0	98.8	317.8	98.9	352.3	97.2	344.4	98.7	311.1	99.0
2200-2204	Telephone	343.6	97.9	337.0	95.1	401.4	95.7	289.0	89.8	323.9	94.6	317.1	98.2	288.3	98.4
2200	Purchase of telephones etc	3.5	-5.5	7	1.7	...	...	...	...	...	...	...	...	3.5	5.9
2201-2204	Telephone services	340.2	97.9	336.4	95.1	401.1	95.7	288.6	89.8	322.9	94.6	316.7	98.2	284.7	98.4
2201	Installation and repairs	4.8	14.3	3.3	10.5	3.6	10.2	...	...	2.7	9.6	4.2	12.4	5.3	15.0
2202	Basic charge	138.6	85.7	145.0	82.1	130.3	91.7	131.6	87.9	156.4	82.9	143.3	82.1	152.0	96.8
2203	Other local charges	4.1	20.9	2.8	11.8	4.7	10.4	...	...	1.3	9.0	3.2	17.5	3.5	20.6
2204	Long distance toll charges	192.7	97.6	185.3	84.3	262.6	86.9	152.1	84.8	162.4	81.6	166.0	85.6	123.9	84.7
2205	Postal services (ex parcels)	30.2	86.5	27.0	87.1	25.7	85.3	28.3	85.4	27.9	87.0	26.7	88.9	21.7	76.1
2206	Other communication services	1.4	6.1	.8	4.0	...	...	...	...	...	...	...	...	1.1	8.0
2210-2213	Child care	137.7	17.6	117.5	18.8	139.0	19.1	77.9	16.2	117.2	17.0	109.9	21.3	133.9	18.0
2210	Day-care centres & day nurseries	31.1	2.9	18.0	2.3	...	...	...	...	...	...	34.2	4.7	28.9	2.5
2211	Other child care outside the home	41.1	4.2	32.9	3.8	...	...	...	...	...	...	31.1	4.8	41.9	5.0
2212	Week-day child care in the home	39.1	3.8	42.5	4.7	62.2	6.6	...	...	...	...	24.7	16.3	40.4	3.6
2213	Other child care in the home	26.3	13.4	26.1	14.6	23.9	14.3	25.0	13.5	28.6	13.6	...	...	22.7	12.7
2220	Domestic & other custodial services	47.1	8.4	29.5	7.1	...	...	38.1	9.2	30.4	8.2	31.0	7.0	58.2	9.6

From Statistics Canada #62-555

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes catégories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Québec	
		Av per fam - Moy par fam	% rptg - % déct	Av per fam - Moy par fam	% rptg - % déct	Av per fam - Moy par fam	% rptg - % déct	Av per fam - Moy par fam	% rptg - % déct	Av per fam - Moy par fam	% rptg - % déct	Av per fam - Moy par fam	% rptg - % déct	Av per fam - Moy par fam	% rptg - % déct
	Household operation - concluded														
2230-2234	Pet expenses	119.7	45.7	125.9	53.0	97.0	51.1	195.5	48.2	134.2	55.3	123.3	52.2	74.2	36.2
2230	Canned dog and cat food	38.1	24.6	54.7	35.2	48.9	34.4	47.2	29.8	61.0	37.8	52.1	33.5	32.7	22.2
2231	Other dog and cat food	32.1	25.7	33.7	26.6	23.8	16.6	36.4	29.7	38.8	30.5	33.7	28.1	16.5	14.6
2232	Other pet food	9.1	13.5	9.6	10.8	3.2	10.0	67.9	9.1	6.0	11.3	8.4	11.0	6.3	9.3
2233	Purchase of pets & related goods	12.9	22.0	10.7	22.7	9.7	19.2	18.8	16.2	9.8	25.5	11.2	22.8	8.2	16.1
2234	Veterinarian and other services	27.5	25.5	17.2	23.4	11.5	13.0	25.2	21.2	18.7	26.9	17.8	24.2	10.5	16.0
2240-2250	Household cleaning supplies	192.0	98.8	209.1	98.2	249.4	97.5	147.6	95.7	189.6	99.4	219.5	97.5	192.0	98.4
2240-2242	Detergent & soap(excl personal care)	95.6	98.3	105.5	98.0	126.3	97.4	74.6	95.7	97.1	99.2	107.1	97.2	96.3	98.1
2240	Laundry detergent (incl soap)	61.5	96.8	68.8	97.1	81.4	96.9	49.6	93.8	61.9	98.6	72.2	96.1	63.2	96.7
2241	Liquid detergent	22.7	94.1	30.5	93.7	40.5	96.0	20.5	91.8	28.8	93.3	27.6	92.9	22.1	94.6
2242	Automatic-dishwasher detergent	11.3	30.6	6.1	15.6	4.4	10.4	4.5	14.5	6.4	15.3	7.3	19.9	11.0	29.9
2243-2246	Cleaning and polishing preparations	45.2	95.8	51.0	95.3	54.1	94.8	33.2	94.8	48.0	96.3	55.9	94.5	45.4	95.8
2243	Toilet-bowl cleaner	8.3	51.1	8.8	51.9	9.3	53.6	7.4	55.8	8.2	45.6	9.4	57.8	6.1	36.8
2244	Cleaning and scouring powders	11.6	86.4	13.4	85.0	12.7	81.3	9.7	88.2	13.6	87.3	14.3	84.1	12.5	90.2
2245	Polishes and waxes	11.5	67.1	12.5	67.3	14.2	67.8	8.7	81.2	11.3	67.6	13.4	67.5	9.8	58.2
2246	Other cleaning & polishing preps	13.9	70.8	16.4	68.0	18.0	64.1	7.3	59.0	14.8	65.0	18.7	75.9	16.9	78.6
2247-2250	Chemical specialties	51.2	94.9	52.6	94.3	69.0	95.0	39.8	93.2	44.5	94.3	53.5	94.1	50.3	95.9
2247	Bleach	12.7	79.6	16.7	80.2	27.5	88.0	13.0	85.3	13.8	77.3	13.8	77.7	15.0	88.9
2248	Fabric softeners	18.5	73.0	17.1	65.3	18.3	62.4	14.1	62.5	14.5	61.8	20.2	72.1	17.5	74.2
2249	Disinfectants and deodorizers	10.0	67.3	10.6	64.3	13.7	69.2	7.4	62.3	9.0	59.6	11.0	67.3	9.2	65.9
2250	Other chemical specialties	10.0	63.0	8.1	62.8	9.5	64.8	5.3	60.5	7.3	63.0	8.6	61.7	8.6	63.6
2260-2268	Paper, plastic & foil household supplies	181.6	99.3	193.6	99.5	242.9	99.1	140.9	99.6	180.9	99.8	184.7	99.3	172.3	98.9
2260	Paper towels	21.7	82.0	24.3	80.7	31.1	81.2	19.8	81.4	22.4	82.3	23.0	78.1	20.6	76.8
2261	Facial and bathroom tissue	64.0	97.5	68.2	96.9	89.6	96.5	44.7	94.7	62.6	96.1	64.3	96.0	72.9	97.8
2262	Greeting cards and postcards	17.6	79.8	15.8	79.7	15.7	78.0	14.6	84.1	15.8	80.2	16.3	79.4	10.0	64.6
2263	Stationery (excl school supplies)	8.6	64.0	7.0	64.4	8.1	64.4	6.7	73.2	7.0	63.5	6.4	64.1	8.6	54.8
2264	Gift-wrap paper	10.7	77.9	11.1	82.5	11.9	83.2	10.2	85.2	10.8	82.1	11.1	82.1	8.9	88.6
2265	Other paper supplies	15.8	75.8	16.3	78.6	15.8	74.1	12.5	84.8	15.7	81.5	18.0	77.0	13.3	69.0
2266	Plastic garbage bags	22.4	81.2	29.4	87.9	42.6	89.7	21.2	81.7	26.5	89.5	25.3	85.7	25.4	97.8
2267	Other plastic supplies	7.6	47.0	8.6	50.3	10.9	50.9	5.2	50.9	7.9	50.7	8.6	49.3	5.0	32.9
2268	Foil supplies	13.2	80.8	12.9	81.8	17.1	87.9	6.8	77.1	12.3	80.8	11.8	79.6	11.7	71.1
2270-2275	Horticultural goods & services	83.3	75.6	61.1	67.5	35.5	57.5	62.0	77.2	70.3	67.7	87.2	72.3	75.3	70.5
2270	Seeds	7.5	40.4	6.3	35.4	2.7	20.1	6.8	43.7	7.4	37.2	7.1	42.3	5.9	32.8
2271	Nursery stock (shrubs, trees, bulbs)	21.6	37.8	12.1	26.1	6.9	14.9	12.1	37.6	14.1	29.0	13.2	28.3	15.4	26.5
2272	Potted plants, cut flowers, etc	21.9	42.2	14.7	32.8	13.3	27.2	12.6	32.7	15.7	36.2	14.8	32.4	20.6	38.7
2273	Herbicides, insecticides & rodenticides	6.2	37.1	4.2	32.1	3.2	25.6	5.9	41.3	3.9	30.0	4.9	37.8	4.9	28.9
2274	Fertilizers, soil, & soil conditioners	13.0	44.7	11.3	37.3	7.7	29.8	7.3	30.3	15.8	39.4	8.8	41.0	12.9	44.5
2275	Horticultural services & snow removal	13.1	9.7	12.6	13.1	...	...	17.3	23.2	13.3	11.1	18.3	21.5	15.6	12.3
2280-2283	Other household supplies	40.5	95.1	36.8	94.9	43.3	94.7	27.9	96.9	34.7	95.5	36.5	94.0	34.6	93.9
2280	Electric light bulbs and tubes	11.7	87.7	10.9	89.0	12.4	89.7	9.2	87.5	9.8	91.7	11.4	85.3	11.4	87.2
2281	Dry-cell batteries	11.5	62.1	11.4	62.1	11.8	56.5	7.9	64.7	12.1	63.2	10.9	64.2	9.4	56.3
2282	Stationery & office-type supplies nes	6.9	46.3	6.4	47.2	11.6	48.7	5.2	52.4	4.7	47.2	5.1	45.3	5.6	42.0
2283	Other supplies	10.4	64.9	8.2	58.0	7.5	54.9	5.6	58.0	8.2	57.2	9.1	60.9	8.3	60.4
2300-2496	**Household furnishings and equipment**	972.0	93.8	817.1	95.3	918.4	95.7	636.0	93.3	801.8	94.4	797	96.4	855.7	91.0
2300-2344	Household furnishings	487.4	80.4	383.6	82.4	489.1	87.1	272.6	76.8	386.9	82.1	350.9	80.5	409.9	78.1
2300-2311	Furniture	304.0	46.8	242.1	44.6	322.5	43.5	167.6	38.3	233.2	44.6	210.6	46.4	244.0	43.4
2300-2302	Upholstered furniture	97.5	15.3	82.1	13.3	97.9	11.5	41.5	13.1	87.8	15.9	58.6	11.3	73.9	14.0
2303-2309	Wooden furniture	151.5	28.4	115.9	26.5	164.5	29.9	91.8	24.2	93.1	23.4	114.7	28.2	127.2	26.3
2303	Bedroom furniture	57.6	9.7	48.5	10.0	67.9	11.6	47.6	11.0	38.1	8.3	48.4	10.8	39.9	6.8
2304	Living room furniture	13.7	5.3	13.5	5.3	...	...	...	...	11.4	5.4	10.8	5.0	7.2	3.0
2305	Dining room furniture	38.0	4.7	19.8	2.9	...	...	...	...	...	...	...	...	33.6	5.0
2306	Kitchen furniture	9.4	3.0	14.8	4.5	...	...	...	...	...	...	20.1	5.0	10.8	3.0
2307-2308	Other indoor wooden furniture	27.2	11.1	16.2	9.8	14.9	8.7	11.7	8.6	14.5	10.1	20.2	9.8	29.9	11.0
2309	Outdoor furniture	5.5	5.5	3.0	3.7	...	...	...	...	...	...	5.0	5.6	5.9	5.9
2310	Metal & other furniture	19.3	12.5	13.8	11.2	21.4	8.3	...	...	15.1	11.7	8.6	13.7	14.5	9.8
2311	Springs, mattresses, bases and frames	35.7	11.7	30.4	11.7	38.7	14.9	30.2	10.1	27.2	11.0	28.7	10.5	28.4	11.3
2320-2329	Household textiles & related materials	112.2	69.8	101.3	74.5	134.8	80.9	83.6	66.6	92.5	73.9	92.1	72.1	110.3	66.1
2320	Material (for curtains, draperies etc)	5.6	8.9	4.0	6.7	3.7	7.9	...	...	4.4	6.1	4.0	6.6	5.3	10.3
2321-2323	Window coverings	43.0	27.5	33.7	30.5	46.3	35.6	32.6	22.4	31.7	29.8	27.8	29.1	46.1	31.5
2321	Curtains	14.6	16.2	15.4	21.2	18.2	21.8	15.3	12.4	15.9	22.5	12.9	20.6	19.5	17.6
2322	Draperies	16.1	7.1	15.5	10.4	25.6	17.0	...	...	12.6	8.3	12.1	9.3	6.8	4.2
2323	Other (shades & blinds)	12.3	10.5	2.9	5.6	...	...	...	...	3.2	5.7	2.8	6.6	19.8	16.8
2324-2326	Bedding	40.0	44.8	39.1	47.5	53.8	56.5	29.8	41.6	34.7	46.9	36.0	43.1	35.1	40.6
2324	Sheets and pillow cases	20.1	32.5	21.0	34.7	31.4	46.3	18.6	32.8	17.9	31.9	18.1	30.6	17.7	30.1

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes catégories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Quebec	
		Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl
	Women's wear - concluded														
2500-2504	Coats & jackets	98 4	49 5	78 2	54 7	93 3	62 7	85 1	55 4	81 9	54 9	85 5	48 8	128 9	49 7
2500	Leather coats & jackets	12 2	7 3	10 0	9 3	8 2	8 1	..	..	12 2	10 6	9 8	9 7	15 7	8 6
2501	Fur coats & jackets	28 6	4 2	12 3	4 6	..	..	..	..	..	..	9 0	6 1	52 4	4 8
2502	Winter-weight coats & jackets	36 4	28 1	37 8	36 2	49 7	48 3	37 8	40 8	36 5	34 9	30 3	30 0	37 6	25 6
2503	Raincoats(incl all-weather coats)	8 9	12 1	6 2	11 4	4 9	10 8	5 6	11 3	6 1	11 7	7 2	11 5	11 9	14 3
2504	Other light-weight coats & jackets	12 2	18 0	12 2	21 4	18 5	27 5	11 2	15 7	12 4	21 5	9 2	18 0	11 3	15 8
2510-2511	Suits & dresses	123 5	63 9	88 1	60 6	88 3	62 3	79 8	62 3	92 3	60 3	87 2	59 6	133 7	67 1
2510	Suits (incl pant suits)	35 3	22 6	23 4	19 2	18 3	17 6	26 4	25 1	26 7	19 8	22 1	18 9	30 8	18 7
2511	Dresses	88 2	58 9	65 7	56 9	70 0	58 2	53 4	58 7	65 6	56 5	65 1	56 1	102 9	63 9
2520-2526	Sportswear	201 9	79 1	201 8	80 5	244 0	83 8	152 9	79 1	193 3	79 6	191 9	79 6	204 0	78 8
2520	Jeans	41 2	47 3	56 0	50 5	78 1	62 9	49 0	51 4	50 2	46 9	49 0	46 4	40 1	49 3
2521	Pants & shorts (ex jeans)	34 3	47 5	32 0	49 2	32 5	47 8	21 8	34 4	32 0	49 9	33 6	52 1	33 7	45 8
2522	Skirts	21 9	32 4	15 6	29 4	18 7	31 3	10 5	24 7	18 0	30 1	15 2	28 0	26 7	36 3
2523	Blouses & shirts	58 1	82 8	57 9	85 2	88 5	70 1	42 7	80 8	56 3	84 3	55 1	83 8	53 3	59 2
2524	T-shirts & other tops	17 7	38 0	15 6	34 4	21 1	41 3	12 1	33 3	14 9	33 7	13 1	30 7	16 7	37 5
2526	Sweaters	28 7	42 7	24 8	37 6	27 0	39 8	16 9	35 9	23 9	35 7	25 8	38 8	33 5	50 0
2530-2532	'Active sportswear	27 2	38 7	18 3	33 2	19 7	36 6	12 7	25 5	18 9	33 2	17 7	32 1	26 9	38 7
2530	Skiwear	6 3	8 0	3 7	6 6	5 5	11 1	..	..	3 7	6 3	..	..	7 7	8 5
2531	Beachwear	10 0	24 3	6 1	18 9	5 8	18 6	5 9	16 8	6 9	20 3	5 4	17 6	12 3	27 8
2532	Other 'active sportswear	10 9	23 8	8 6	21 0	8 4	22 4	5 9	16 6	8 3	20 3	9 5	21 7	6 9	18 5
2540	Other specialized clothing	6 0	7 2	6 3	8 1	8 1	9 2	..	..	6 3	7 8	7 0	8 4	5 2	5 8
2550-2554	Lingerie, hosiery & sleepwear	113 9	85 4	107 7	86 9	128 6	88 4	73 9	80 0	100 5	86 5	106 2	85 0	128 7	87 9
2550	Foundation garments	23 8	54 1	22 7	56 8	27 1	63 2	15 4	57 8	18 8	49 8	26 0	60 9	35 0	68 8
2551	Lingerie	20 4	60 5	21 2	66 1	27 8	77 4	16 1	63 9	20 6	66 4	18 4	58 2	14 7	50 3
2552	Hosiery	45 7	81 4	37 4	82 3	40 1	82 8	25 7	84 1	37 2	82 0	38 0	82 1	50 7	85 0
2553	Sleepwear	15 6	40 1	17 1	46 1	21 9	54 0	11 1	39 5	14 8	42 5	17 9	46 5	18 7	44 0
2554	Loungewear	8 4	19 8	9 2	24 2	11 7	29 1	5 5	18 7	9 2	23 8	8 0	22 4	9 5	21 7
2560-2563	Other apparel & accessories	33 2	59 9	23 4	54 6	24 6	57 7	18 5	53 5	22 5	53 3	24 5	54 1	41 5	61 5
2560	Gloves & mitts	5 7	29 0	4 7	26 4	5 3	31 2	4 4	26 9	5 0	26 0	3 9	23 5	8 9	30 9
2561	Headwear & scarves	3 9	16 0	2 5	13 8	2 3	14 8	2 7	14 2	2 3	12 8	3 0	14 4	8 8	22 3
2562	Belts, handbags & wallets	21 7	46 3	15 1	41 3	16 1	43 3	10 8	35 7	14 1	39 5	16 5	43 1	26 0	46 6
2563	Other accessories	1 8	14 0	1 0	8 6	.9	9 4	..	..	1 1	8 4	1 1	8 9	1 9	12 9
2570-2572	Jewellery	64 8	40 8	52 8	39 8	60 6	45 3	33 8	36 0	50 0	37 8	54 3	39 2	37 3	35 7
2570	Watches	9 9	15 3	9 6	17 5	11 7	22 1	6 0	14 0	8 8	14 2	9 8	18 9	8 0	15 0
2571	Precious jewellery	47 0	16 5	35 8	16 2	40 1	18 2	22 7	13 3	34 5	15 9	36 8	15 7	22 9	12 4
2572	Other jewellery (incl costume)	7 9	23 0	7 4	21 8	8 8	22 2	5 2	18 3	6 7	21 3	7 7	22 7	6 4	19 8
2580-2583	Footwear	102 7	77 0	85 5	77 9	87 0	80 0	74 8	78 2	83 9	78 6	88 2	77 9	120 6	78 0
2580	Shoes & fashion boots	76 2	68 5	57 8	68 7	54 0	69 6	51 0	67 5	60 3	70 2	58 5	66 6	87 8	69 6
2581	Insulated boots, work & hiking boots	13 3	19 9	14 2	23 7	18 1	29 9	12 7	23 9	10 7	18 3	16 1	26 0	21 6	26 0
2582	Athletic shoes	8 2	22 8	8 6	25 5	9 0	26 4	7 9	23 5	8 5	24 7	8 8	26 1	5 5	17 3
2583	Other footwear	5 1	26 7	4 8	27 8	5 9	33 0	3 2	20 1	4 4	26 5	4 8	27 0	5 8	26 6
2590-2663	Girl's wear (girls 4-13 years)	80 3	18 4	112 2	21 6	172 0	32 0	102 6	22 5	89 1	18 1	101 1	20 7	74 6	18 7
2590-2595	Outerwear	9 1	12 8	13 5	18 0	25 3	28 1	8 9	14 9	9 8	13 7	10 8	16 9	10 3	12 8
2600-2601	Suits & dresses	6 5	8 9	7 2	13 4	12 0	20 3	4 5	13 3	8 1	17 1	5 6	12 4	5 5	9 3
2610-2611	Pants (incl shorts)	15 0	14 9	23 2	20 4	35 2	30 7	24 7	21 4	18 3	15 8	20 6	18 7	12 6	14 8
2620-2622	Blouses, t-shirts & sweaters	12 8	14 7	17 8	19 5	27 2	29 7	19 1	22 0	13 9	14 3	15 8	18 6	10 7	14 6
2630-2634	Underwear, sleepwear, hosiery etc	10 7	15 9	16 3	21 0	25 2	31 6	13 3	22 3	12 7	15 5	15 2	20 3	10 2	16 3
2640-2650	Other apparel, accessories & jewellery	11 8	15 3	15 1	19 6	18 3	29 5	15 2	20 6	13 0	15 0	15 4	18 1	10 4	15 1
2660-2663	Footwear	14 6	16 0	19 1	20 9	28 7	31 6	17 0	22 2	15 3	16 2	17 7	19 0	15 0	15 1
2670-2753	Men's wear (men 14 years & over)	522 9	79 8	495 9	83 6	553 0	89 0	393 8	79 0	472 7	81 8	503 3	82 9	524 8	79 4
2670-2673	Coats & jackets	56 8	43 7	54 6	50 7	70 6	61 9	40 4	42 2	50 5	45 3	51 1	51 2	65 8	43 6
2670	Leather or fur coats & jackets	18 1	10 1	12 7	9 1	14 3	10 2	..	..	13 9	10 4	10 5	6 9	21 8	10 6
2671	Winter-weight coats & jackets	24 2	24 9	26 2	32 3	34 0	40 3	22 8	28 0	22 9	28 1	25 6	32 8	29 1	26 4
2672	Raincoats (incl all-weather coats)	5 2	7 0	4 3	8 2	5 5	11 8	..	..	5 0	7 9	3 2	6 8	7 1	8 3
2673	Other light-weight coats & jackets	9 3	18 0	11 4	23 3	18 7	32 6	8 2	14 0	8 7	19 2	11 8	23 5	7 8	16 3
2680-2681	Suits & sport jackets	85 9	33 4	63 4	28 8	55 9	29 4	49 7	22 4	74 7	31 3	56 5	26 5	85 0	36 9
2680	Suits	59 3	21 2	42 3	19 0	39 7	20 2	35 6	17 7	51 2	20 5	34 1	16 4	58 7	22 0
2681	Sport jackets & blazers	26 6	19 3	21 1	16 1	16 2	14 6	14 1	8 5	23 4	17 3	22 8	17 0	26 3	22 8
2690-2691	Pants	89 3	68 6	97 7	73 2	117 0	79 5	82 5	64 2	88 9	70 4	97 9	74 0	93 3	70 1

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Region et la province													
		All classes - Toutes categories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Quebec	
		Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl
	Bedding - concluded														
2325	Bed pillows	39	13.3	23	10.4	29	14.0	..	..	22	9.5	21	9.6	27	9.4
2326	Other bedding	160	21.1	158	24.4	195	29.9	96	18.6	146	22.6	158	23.7	146	19.2
2327	Tablecloths, napkins, etc	55	17.2	38	17.4	55	26.5	28	11.1	27	12.8	41	18.0	75	22.2
2328	Towels, washcloths, bathmats, etc	138	34.5	151	42.4	179	53.7	128	38.0	141	39.	149	39.5	127	33.0
2329	Other household textiles	43	25.8	56	37.2	78	49.6	36	29.3	49	35.1	54	32.7	37	22.0
2330	Room-size and area rugs and mats	158	8.5	73	6.6	..	..	50	8.1	83	7.0	68	6.7	160	9.5
2340-2344	Art, antiques and decorative ware	554	30.2	330	24.8	250	26.4	161	20.2	329	23.0	415	26.8	396	26.0
2340	Mirror and picture frames	81	11.0	35	9.3	40	13.5	..	..	37	7.3	29	9.2	80	9.7
2341	Art goods & decorative ware	158	15.4	152	12.1	117	10.8	94	11.4	175	11.6	156	13.8	81	11.7
2342	Original works of art	163	7.7	68	4.4	..	..	..	..	..	..	82	5.9	154	7.2
2343	Antiques	117	1.8	48	2.0	..	..	..	..	..	..	..	..	..	..
2344	Glass mirrors	34	5.9	27	6.3	..	..	..	..	25	6.0	24	6.9	40	5.9
2350-2483	Household equipment	428.4	88.1	395.5	89.7	401.5	92.8	334.8	88.0	391.2	87.0	407.5	91.3	389.9	84.2
2350-2403	Household appliances	192.1	56.1	176.5	55.7	190.9	56.7	132.2	51.7	177.6	54.3	173.0	57.5	190.5	51.9
2350	Portable electric space heaters	22	3.2	36	2.6	..	..	..	..	..	..	..	..	15	2.8
2360-2363	Air conditioning & refrigeration	48.0	11.5	45.5	10.2	39.5	9.2	31.9	8.3	52.1	10.9	43.9	10.5	53.4	12.6
2360	Room air conditioners	16	.7	..	..	..	..	..	..	..	..	..	..	..	..
2361	Portable humidifiers & dehumidifiers	40	3.3	36	2.2	..	..	..	..	..	..	..	..	39	4.1
2362	Refrigerators & refrigerator-freezer	28.4	4.4	24.9	4.7	..	..	..	..	28.9	5.2	..	..	33.3	5.0
2363	Freezers	14.1	4.0	15.3	4.0	..	..	..	..	..	..	..	..	14.9	4.1
2370-2374	Appliances for cooking & warming food	54.7	28.4	39.7	28.3	42.4	29.1	27.3	25.1	44.6	30.8	33.9	24.8	46.3	24.1
2370-2372	Electric appliances	43.1	25.7	32.8	27.0	32.5	27.8	20.7	23.9	36.5	29.8	30.4	23.5	41.3	23.1
2370	Cooking stoves and ranges	17.6	3.3	17.0	3.5	..	..	..	..	..	..	..	..	23.1	4.2
2371	Microwave ovens & convection ovens	15.9	2.6	..	..	..	..	..	..	..	..	..	..	8.9	1.5
2372	Other for cooking & warming food	9.5	21.5	9.4	23.6	9.9	25.1	7.7	21.0	11.1	26.3	7.2	19.5	9.1	18.7
2373-2374	Non-electric appliances	11.7	4.0	6.9	2.4	..	..	..	..	..	..	..	..	5.1	1.7
2373	Gas & other cooking stoves & range	2.8	.7	..	..	..	..	..	..	..	..	..	..	..	..
2374	Gas barbecues	8.9	3.4	..	..	..	..	..	..	..	..	..	..	..	..
2380-2381	Electric appliances for food preparat	9.3	11.5	6.1	9.7	5.7	9.9	5.2	8.1	7.0	9.7	5.3	10.0	9.0	11.4
2390-2393	Appliances for laundry	35.7	12.9	42.5	16.0	53.2	19.1	43.5	15.6	38.3	15.3	40.1	14.7	40.9	12.1
2390	Electric washing machines	22.1	4.8	27.8	6.0	38.4	7.9	..	..	22.5	5.3	26.3	5.5	27.8	5.4
2391	Electric clothes dryers	10.2	2.9	11.2	3.3	..	..	..	..	..	..	..	..	10.6	3.2
2392	Other washing machines & dryers	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2393	Electric irons	2.6	7.4	2.7	8.2	3.2	9.3	3.0	9.1	2.5	7.6	2.6	8.2	2.2	6.2
2400-2403	Other electric equipment & appliances	42.1	23.0	39.2	22.3	49.4	21.4	22.1	13.8	29.6	20.5	47.1	26.7	39.4	18.9
2410	Portable electric lamps	12.2	12.9	6.5	11.2	10.2	12.6	..	..	5.7	11.8	5.4	9.9	11.1	13.0
2420-2423	Non-electric kitchen & cooking equip	22.9	45.3	20.1	40.8	19.6	42.9	18.0	45.3	20.6	40.6	20.3	38.7	22.5	44.3
2420	Cooking utensils	12.8	25.4	12.0	24.3	12.8	27.2	9.2	27.6	13.7	24.8	9.9	21.0	12.0	26.3
2421	Food preparation utensils	2.3	12.1	2.0	12.0	1.9	12.3	1.6	14.2	2.0	12.5	2.1	10.9	1.8	10.6
2422	Food storage utensils	6.3	19.8	5.2	16.8	4.1	16.7	6.5	22.7	4.0	15.2	7.3	17.7	7.3	20.9
2423	Hand operated kitchen tools etc	1.5	13.9	.9	9.8	.8	8.4	..	..	.8	9.9	1.1	11.2	1.4	13.1
2430-2434	Tableware & flatware	30.2	30.3	22.6	27.4	31.1	32.2	15.2	26.5	20.8	25.4	20.2	26.7	20.4	24.6
2430	Precious metal	3.6	1.7	2.1	1.4	..	..	..	..	..	..	..	..	..	..
2431	Stainless steel & other metal	3.5	8.1	2.8	7.1	5.3	10.4	2.5	8.9	1.6	4.8	2.5	7.4	3.3	7.1
2432	China, porcelain & other ceramic	13.8	12.1	10.4	11.3	11.3	14.0	6.8	13.2	10.2	10.4	10.7	10.3	10.4	9.1
2433	Glass and crystal	7.3	14.7	6.0	13.0	10.7	15.4	5.2	13.2	5.4	12.0	3.7	12.6	4.1	11.2
2434	Other (ex disposable)	1.9	6.5	1.3	6.9	1.6	7.1	..	..	1.2	6.3	1.3	8.4	1.6	5.2
2440-2442	Home and workshop tools & equipment	58.0	34.6	54.7	36.8	86.7	40.3	51.5	34.9	46.1	33.4	57.8	38.9	53.5	30.1
2440	Power driven hand tools	13.5	11.4	10.2	12.7	11.1	13.1	13.6	13.1	8.6	11.5	11.0	14.0	11.8	10.2
2441	Other power tools & equipment	18.3	6.8	25.2	9.3	34.5	11.6	..	..	20.5	9.1	24.7	8.2	19.2	6.6
2442	Other tools and equipment	26.2	27.5	19.4	26.7	21.1	27.0	13.8	26.0	17.0	24.6	22.2	29.4	22.6	23.1
2450-2456	Lawn, garden & snow-removal tools&equip	44.6	30.0	49.8	28.4	11.7	23.4	61.8	30.5	54.8	28.0	67.8	31.9	32.4	26.1
2460-2470	Other household equipment	62.8	72.8	58.8	76.1	63.4	81.1	46.5	78.6	60.7	73.6	58.3	75.4	54.4	67.0
2480-2483	Parts, accessories & attachments nes	5.8	14.4	5.8	14.5	7.9	18.1	5.7	14.3	5.0	13.7	4.6	14.3	5.0	12.2
2490-2496	Services related to furnishings & equip	56.2	46.6	37.9	36.3	27.7	27.6	28.6	35.4	43.7	33.8	39.4	45.5	55.9	40.3
2490-2492	Rental of furnishings & equipment	7.4	14.4	5.0	12.2	..	..	..	..	6.4	11.0	6.3	20.1	5.5	8.8
2493-2495	Maintenance & repairs	41.0	32.9	27.4	24.1	22.5	21.1	26.1	27.1	29.0	22.4	29.0	27.7	44.9	31.6
2493	Furnishings	21.0	15.7	12.3	10.6	9.0	9.2	12.6	12.1	14.7	9.2	11.6	12.9	21.7	11.0
2494-2495	Equipment	19.9	22.8	15.1	17.1	13.5	13.7	13.6	18.2	14.3	16.7	17.5	19.8	23.2	24.7
2496	Other services	7.9	13.0	5.5	8.3	4.0	6.6	..	..	8.2	8.3	4.0	9.8	5.5	7.6
2500-2879	Clothing	1650.6	99.4	1523.1	99.1	1780.4	99.1	1206.4	100.0	1452.6	98.6	1488.4	99.6	1694.4	99.4
2500-2583	Women's wear (women 14 years & over)	771.7	87.9	663.2	89.1	752.3	90.5	515.0	93.0	649.7	88.3	644.4	88.4	826.9	89.5

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes catégories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Quebec	
		Av per fam - Moy par fam	% rptg - % déci	Av per fam - Moy par fam	% rptg - % déci	Av per fam - Moy par fam	% rptg - % déci	Av per fam - Moy par fam	% rptg - % déci	Av per fam - Moy par fam	% rptg - % déci	Av per fam - Moy par fam	% rptg - % déci	Av per fam - Moy par fam	% rptg - % déci
	Pants (men's wear) - concluded														
2690	Jeans	54.1	54.0	68.6	58.7	87.9	69.1	64.4	52.6	59.2	53.3	67.7	59.2	53.5	55.6
2691	Other pants (incl. shorts)	35.2	44.8	29.1	44.7	29.1	43.0	18.1	30.6	29.7	45.9	30.2	46.8	38.9	48.0
2700-2706	Furnishings	128.4	76.0	129.2	78.3	139.2	84.7	99.6	74.7	123.1	75.7	135.2	77.8	128.0	76.7
2700	Dress shirts	34.6	46.8	32.2	46.7	38.5	58.0	25.4	41.9	29.1	42.8	33.0	44.6	32.9	44.9
2701-2702	Sport shirts	35.2	49.8	37.3	53.3	37.1	56.0	28.6	46.5	36.7	52.9	39.9	52.9	29.9	47.6
2701	Woven sport shirts	11.4	22.8	14.0	29.3	14.0	32.8	10.7	24.2	12.5	26.4	16.5	31.3	7.9	19.1
2702	Knitted sport shirts	23.8	40.7	23.3	41.8	23.1	41.0	17.9	33.7	24.2	43.4	23.4	41.8	22.0	38.4
2703	Sweaters	19.3	31.4	17.1	29.6	16.1	28.6	12.2	24.1	17.0	29.1	18.8	31.7	25.6	40.9
2704	Socks	17.1	62.1	18.3	63.0	20.3	69.2	15.2	57.1	17.2	60.0	18.7	63.6	15.2	60.4
2705	Underwear	16.6	59.9	18.9	65.3	22.6	75.6	13.7	61.1	17.1	60.5	19.6	64.9	18.4	63.2
2706	Pyjamas & loungewear	5.6	16.3	5.4	16.8	4.6	13.0	4.4	12.9	6.0	19.3	5.2	16.8	6.1	16.5
2710-2711	Active sportswear	19.6	29.2	15.8	26.9	21.3	30.4	11.7	23.5	13.1	26.3	16.2	25.7	19.5	27.4
2710	Skiwear	8.7	9.5	7.0	9.6	13.8	16.3	6.6	10.4	4.2	6.9	6.0	8.3	9.1	9.0
2711	Other active sportswear	10.9	24.5	8.8	21.3	7.5	19.0	5.1	16.0	8.9	22.8	10.3	22.0	10.4	22.4
2720	Other specialized clothing	6.8	8.6	9.1	12.8	7.9	13.8	5.8	8.7	8.4	9.5	11.4	17.0	3.5	6.0
2730-2733	Other apparel & accessories	24.7	55.6	19.9	53.6	21.3	51.8	17.6	53.7	19.3	53.0	20.2	55.4	25.6	56.3
2730	Gloves & mitts	8.2	31.4	8.7	34.5	10.6	35.1	9.1	39.2	7.6	33.2	8.5	34.7	8.0	31.9
2731	Neckties	7.6	26.0	4.5	20.5	3.3	14.8	2.8	16.1	4.9	23.0	5.0	21.9	7.9	28.1
2732	Belts and wallets	5.5	26.5	4.5	25.0	5.0	25.2	3.7	25.2	4.4	24.7	4.4	25.2	5.5	26.0
2733	Other accessories	3.4	19.9	2.3	16.7	2.4	15.2	2.0	14.5	2.4	16.1	2.3	18.8	4.2	19.9
2740-2742	Jewellery	27.9	22.1	22.8	26.1	25.5	32.3	20.0	22.1	18.6	22.5	26.6	26.9	21.0	20.5
2740	Watches	11.6	17.2	10.8	22.0	13.6	28.8	9.6	16.9	8.8	18.2	11.7	23.0	11.0	17.0
2741	Precious jewellery	15.4	5.3	11.3	5.3							14.3	7.7	9.4	4.6
2742	Other jewellery	1.0	2.7	.6	2.9										
2750-2753	Footwear	83.4	66.7	83.3	69.1	94.3	73.7	66.5	64.1	76.2	67.0	87.7	69.6	83.0	66.8
2750	Shoes & dress boots	43.1	46.0	33.0	42.4	35.1	47.1	24.2	33.1	33.2	42.5	32.9	40.7	45.2	46.9
2751	Insulated boots, work & hiking boots	20.8	28.7	30.0	40.2	33.3	47.4	26.1	39.2	24.6	35.8	35.2	40.8	21.5	30.4
2752	Athletic shoes	15.7	30.3	16.2	30.1	20.7	35.4	13.2	25.3	14.6	27.5	15.6	30.4	12.3	26.2
2753	Other footwear	3.8	15.9	4.1	16.8	5.1	17.9	3.1	14.6	3.8	16.9	4.0	16.3	3.9	17.2
2760-2813	Boy's wear (boys 4-13 years)	68.0	16.9	86.4	21.4	145.5	29.8	58.1	18.9	71.9	18.8	88.8	19.3	57.5	15.4
2760-2766	Outerwear	10.0	13.7	14.4	18.2	28.1	26.7	7.9	15.1	10.4	15.7	11.0	15.8	9.5	11.8
2770-2771	Pants (incl. shorts)	15.9	16.0	20.5	20.7	34.6	29.2	13.8	18.7	17.5	18.2	15.7	18.4	12.9	14.6
2780-2783	Shirts, t-shirts & sweaters	10.2	14.8	12.6	19.1	20.4	26.2	9.4	18.7	11.7	16.6	9.0	17.3	8.2	13.4
2790-2792	Underwear, sleepwear, loungewear & socks	8.4	18.4	11.2	21.1	18.6	29.3	8.4	18.9	9.3	18.7	9.0	18.8	6.6	14.9
2800-2808	Other apparel, accessories & jewellery	7.7	14.9	8.6	18.5	14.3	26.5	6.2	13.3	7.1	15.9	7.1	17.1	5.9	13.4
2810-2813	Footwear	15.8	16.5	19.0	20.9	29.5	29.8	10.5	18.0	15.9	17.9	18.9	19.0	14.5	15.0
2820-2851	Infants' wear (infants under 4 years)	29.4	13.7	33.3	15.6	49.1	20.6	15.1	9.3	25.2	13.1	35.9	16.4	36.2	14.4
2860-2879	Clothing material, notions & services	178.3	93.1	132.1	86.1	108.5	85.3	123.8	90.8	144.1	84.5	134.8	87.9	174.5	94.2
2860-2864	Clothing material	50.2	57.9	57.5	62.6	53.9	66.8	52.4	59.8	62.7	60.5	54.4	62.8	49.8	58.7
2865	Notions	6.3	34.9	5.7	34.9	4.7	31.0	5.1	28.6	5.4	35.7	6.8	37.8	6.8	36.5
2870-2879	Clothing services	121.9	86.3	68.9	71.9	49.9	57.6	66.3	78.5	76.0	73.7	73.6	78.3	117.9	87.5
2870	Dressmaking & tailoring	4.2	5.3	2.2	4.8			2.1	6.1	2.8	6.0			5.3	5.4
2871	Clothing storage	4.6	8.6	1.7	3.2									10.1	15.7
2872-2875	Laundry & dry-cleaning(mainly apparel)	92.5	81.5	52.7	66.7	39.3	50.8	53.3	70.6	58.2	70.0	55.0	73.1	79.8	80.7
2872	Laundry service	4.5	3.1	2.3	1.9									3.4	2.1
2873	Dry-cleaning service	58.6	74.3	32.3	61.7	26.1	47.2	31.2	63.8	34.5	64.5	34.0	67.8	57.1	74.9
2874-2875	Self service laundry & dry-cleaning	29.4	26.1	18.1	17.9	11.6	14.1	15.8	15.8	21.7	21.0	18.4	18.9	19.3	17.3
2876-2878	Other maintenance & repair of clothing	18.7	43.6	11.1	30.9	8.6	24.7	8.7	31.2	12.4	30.5	12.8	35.6	21.8	50.1
2879	Other clothing services	1.9	3.0	1.2	2.6										
2900-2965	Transportation	3270.6	97.9	2982.8	95.7	2858.6	93.1	2580.7	90.7	3053.3	97.0	3049.4	96.8	3071.2	98.0
2900-2947	Private transportation	2941.8	84.2	2767.3	82.8	2609.1	79.4	2452.6	83.0	2818.6	83.3	2968.5	84.5	2808.6	80.5
2900-2902	Purchase of automobiles & trucks	985.9	23.6	1013.2	28.9	1004.6	27.3	748.7	27.0	1123.5	30.4	928.1	28.6	884.5	19.6
2910-2911	Purchase of automotive accessories	17.1	13.9	14.3	12.7	12.9	10.7	6.3	11.0	10.5	11.9	21.5	15.3	13.5	11.3
2920-2923	Rented & leased automobiles & trucks	48.8	10.0	31.0	7.3					42.2	7.3	25.3	8.8	35.3	7.2
2930-2947	Operation of automobiles & trucks	1890.0	83.2	1708.8	81.6	1571.6	78.7	1673.4	82.5	1642.4	81.7	1893.6	83.2	1895.2	79.7
2930-2931	Automotive fuels	950.4	79.4	969.1	78.7	906.3	74.6	946.3	82.1	925.8	78.9	1071.0	80.6	958.2	74.0
2932	Tires	82.6	35.8	95.0	46.0	96.1	48.3	85.7	45.4	82.2	42.4	111.8	48.9	73.0	34.4
2933	Batteries	15.2	17.2	12.2	16.2	12.5	13.9	14.5	18.6	10.9	15.8	13.3	18.1	12.3	14.8
2934	Other maintenance & repair supplies	73.6	47.8	67.1	47.6	63.5	49.1	77.5	50.0	66.8	45.7	68.0	48.5	62.0	43.0
2935-2939	Maintenance & repair jobs	284.6	72.0	220.7	69.8	176.0	66.1	252.3	77.1	230.3	70.2	234.1	70.5	266.6	66.3

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes catégories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Québec	
		Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl
	Maintenance & repair jobs - concluded														
2935	Oil changes & lubrication	42 2	53 7	36 2	54 2	28 4	54 5	42 1	67 6	35 3	53 8	41 9	52 1	40 0	53 0
2936	Tune-ups	48 6	39 4	24 2	29 7	21 9	24 4	34 3	35 6	23 2	32 0	25 3	29 4	43 8	39 4
2937	Other mechanical & electrical	121 5	40 2	82 4	39 9	67 7	32 6	110 6	46 0	103 0	41 5	83 2	42 0	113 4	38 7
2938	Body (incl painting)	54 2	15 4	55 3	18 3	49 2	16 1	56 3	20 2	60 2	18 4	53 1	19 6	56 9	17 1
2939	Other maintenance & repair	18 1	30 9	12 5	18 9	8 9	19 2	8 9	13 7	8 5	15 2	20 6	24 1	12 4	21 5
2940-2941	Parking	16 9	14 8	4 4	5 7	..	..	..	..	8 4	6 2	4 2	7 0	15 7	12 4
2940	At dwelling (not incl in rent)	3 4	2 1	..	..	..	..	..	..	..	..	..	..	2 0	1 4
2941	Other parking	13 5	13 2	3 4	5 3	..	..	..	..	4 4	5 6	3 9	6 9	13 7	11 1
2942	Driving lessons	5 6	3 1	1 9	2 2	..	..	..	..	..	..	..	..	10 3	4 5
2943	Vehicle licences	12 2	44 4	7 6	43 9	10 9	41 2	2 2	29 7	5 4	42 9	9 0	49 5	21 1	58 1
2944	Private & public insurance premiums	382 3	78 1	274 7	77 5	248 8	73 7	247 6	80 6	253 5	77 7	323 9	79 4	377 5	73 3
2945	Registration fees (excl govt ins)	54 4	71 4	46 4	75 5	51 0	72 1	36 9	81 0	43 2	75 3	48 8	76 9	81 9	72 3
2946	Other operation services	11 0	24 9	7 3	18 7	1 5	6 9	2 5	8 3	13 3	27 6	4 8	17 6	15 5	30 3
2947	Repairs to other parties' vehicles	3 2	1 1	..	..	..	..	..	..	..	..	..	..	..	..
2950-2965	Public transportation	328 8	73 3	215 5	60 5	250 5	57 7	138 0	48 8	234 6	63 0	180 9	61 4	282 7	69 7
2950-2954	Local & commuter transportation	120 7	61 5	76 3	47 6	66 7	43 2	37 4	38 8	101 3	50 7	58 4	48 3	148 0	64 3
2950	Household movers' storage & delivery	6 2	3 9	5 4	1 6	..	..	..	..	..	..	..	..	6 0	4 8
2951	Street car, city bus & subway	70 2	44 4	18 5	19 0	12 0	13 8	..	..	30 8	23 8	10 9	19 8	81 7	48 6
2952	Commuter bus & train	7 6	6 0	3 1	3 1	..	..	..	..	..	..	..	..	10 7	8 7
2953	Local taxi service	25 6	30 9	33 9	32 3	30 3	29 1	24 7	24 2	42 6	34 3	27 0	33 4	33 0	32 5
2954	Other local transportation	11 1	10 0	15 4	11 4	11 9	8 0	11 3	19 8	18 0	12 2	15 3	11 2	18 6	8 3
2960-2965	Inter-city transportation	208 1	41 8	139 2	35 3	183 8	37 1	100 6	22 7	133 3	35 6	122 5	36 0	114 7	26 9
2960	Household movers & storage	6 4	1 2	..	..	..	..	..	..	..	..	..	..	..	..
2961	Air	168 0	21 6	111 9	16 4	149 5	18 9	84 6	11 9	112 3	17 0	80 2	14 9	83 8	12 0
2962	Rail	10 9	7 6	8 5	7 4	..	..	..	..	6 7	8 3	14 4	10 3	11 8	6 9
2963	Highway bus	14 0	14 6	7 8	9 7	14 0	10 3	..	..	4 8	8 9	8 6	11 4	12 9	10 6
2964	Other passenger transportation	4 8	5 9	6 7	5 5	10 1	8 2	..	..	..	..	4 4	5 8	2 7	3 7
2965	Other inter-city transportation	4 1	12 2	2 3	10 4	3 0	12 6	..	..	1 9	10 4	2 5	10 4	1 4	4 5
3000-3064	**Health care**	**522.2**	**96.8**	**392.5**	**95.2**	**380.7**	**98.1**	**448.3**	**96.6**	**384.8**	**94.3**	**400.9**	**94.0**	**485.1**	**96.4**
3000-3053	Direct costs to family	332 2	94 8	275 1	94 3	267 7	96 6	336 0	94 6	281 8	94 1	261 1	92 9	333 5	94 7
3000	Medical supplies	5 1	36 9	3 7	32 1	4 4	30 6	3 7	32 7	3 8	34 0	3 3	30 8	4 0	24 3
3001-3002	Medicinal & pharmaceutical products	102 0	87 6	100 0	86 1	128 8	89 9	155 8	91 4	84 9	86 8	88 9	81 7	110 9	87 2
3001	Prescribed	64 4	80 2	72 3	57 6	104 5	71 9	127 0	78 7	56 7	53 1	59 8	50 0	78 9	65 4
3002	Other	37 7	78 9	27 7	76 3	24 3	75 6	28 8	79 2	28 2	78 7	29 1	73 4	34 0	75 8
3010-3011	Physicians' care (incl eye care)	15 7	19 3	10 0	30 5	5 7	8 0	8 4	25 8	12 5	49 1	10 2	23 8	6 1	4 4
3010	Eye care	3 3	8 3	4 6	17 1	..	..	6 4	21 4	2 0	19 3	8 4	20 8	..	..
3011	Other	12 3	13 6	5 4	17 6	..	..	..	..	10 6	38 7	..	..	5 5	3 4
3020-3023	Eye-care goods & services	57 2	41 3	49 7	40 8	55 0	40 7	48 7	37 6	48 8	40 0	47 2	42 3	63 5	40 4
3020	Prescription lenses	27 2	25 5	22 5	25 0	24 4	24 6	21 9	25 9	22 8	24 0	20 9	26 3	34 7	29 0
3021	Contact lenses	9 9	5 3	6 0	3 0	..	..	..	..	..	..	..	..	10 9	5 8
3022	Eyeglass frames & mountings	14 4	17 5	16 3	20 5	18 8	20 1	16 7	21 7	14 5	19 3	16 9	22 0	13 0	14 9
3023	Other eye-care goods	5 7	15 1	4 8	12 3	4 0	9 7	3 0	8 5	4 4	13 1	6 3	13 7	4 9	11 7
3030	Other health-care goods	5 1	7 6	5 2	8 7	..	..	3 9	10 0	6 3	8 5	5 5	7 3	4 8	6 9
3040-3042	Dental care	118 9	46 3	93 7	49 3	55 2	44 1	98 2	53 9	113 0	51 9	95 5	48 8	107 5	44 9
3040	Orthodontic & periodontic procedures	30 7	6 5	21 5	4 6	..	..	..	..	29 0	5 8	22 9	4 9	19 1	4 5
3041	Prescription & fitting of dentures	21 3	7 5	14 1	7 0	..	..	19 7	8 5	14 8	7 7	18 3	7 5	25 7	9 7
3042	Other dental procedures	66 9	38 9	58 1	44 0	40 0	40 6	60 4	50 2	89 1	45 7	56 4	43 3	62 8	37 1
3050-3051	Hospital & other health care services	28 3	19 9	12 8	12 5	15 3	17 4	..	..	12 6	11 4	10 5	11 6	36 7	17 4
3060-3064	Health insurance premiums	190 0	82 7	117 4	52 1	113 0	49 5	110 3	51 9	103 0	49 7	139 8	56 9	131 5	51 3
3060	Public hospital & medical plans	93 2	32 1	..	..	..	..	..	..	..	..	..	..	..	..
3061-3064	Private health care plans	96 8	48 3	114 8	51 5	104 4	48 3	109 1	51 4	102 0	49 0	139 1	56 8	131 1	51 2
3100-3153	**Personal care**	**490.8**	**99.8**	**458.5**	**100.0**	**495.0**	**99.9**	**382.1**	**100.0**	**436.9**	**100.0**	**480.4**	**100.0**	**484.6**	**99.8**
3100-3140	Personal care supplies & equipment	317 0	99 5	311 9	99 7	359 7	98 8	227 7	99 8	289 2	99 9	322 1	100 0	305 4	99 5
3100-3114	Toilet preparations & cosmetics	185 5	98 6	184 3	98 4	177 8	97 9	124 7	98 4	158 0	98 2	189 9	99 0	178 1	98 7
3100	Creams & lotions	16 9	65 5	12 9	58 7	12 0	55 8	10 8	60 4	12 8	56 8	14 2	62 8	13 9	55 7
3101-3103	Make-up preparations	31 0	68 3	20 8	59 4	20 4	51 9	15 2	59 3	20 4	62 2	22 4	61 1	33 5	70 6
3101	Eye make up	10 7	45 3	6 8	35 7	6 8	36 1	4 7	34 2	6 1	33 8	8 0	38 1	11 3	47 3
3102	Lip preparations	8 9	57 2	6 2	46 8	6 4	40 6	5 1	50 2	6 5	49 5	5 9	47 1	8 4	58 6
3103	Other make-up	11 5	47 2	7 8	38 8	7 2	29 7	5 3	40 9	7 8	40 9	8 5	42 1	13 7	48 6
3104-3105	Fragrance preparations	23 5	58 7	20 5	57 9	27 6	67 8	14 8	50 7	19 5	56 6	18 0	53 8	24 8	64 9
3104	Perfumes, toilet water & colognes	15 4	42 2	11 9	42 3	14 9	50 9	9 9	38 3	11 6	41 1	10 7	38 5	15 0	42 7
3105	Other fragrance preparations	8 2	40 3	8 6	41 4	12 8	51 3	4 9	35 0	7 9	37 3	7 3	40 8	9 8	47 3
3106-3109	Hair preparations	64 0	94 0	59 3	93 8	66 8	95 5	43 7	91 4	57 3	91 6	59 4	95 7	57 2	94 2
3106	Hair conditioners & cream rinses	16 6	57 3	12 4	48 6	12 5	42 0	10 4	48 9	12 4	51 5	12 5	49 4	10 0	47 3

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes catégories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Québec	
		Av. per fam. - Moy. par fam.	% rptg - % déct	Av. per fam. - Moy. par fam.	% rptg - % déct	Av. per fam. - Moy. par fam.	% rptg - % déct	Av. per fam. - Moy. par fam.	% rptg - % déct	Av. per fam. - Moy. par fam.	% rptg - % déct	Av. per fam. - Moy. par fam.	% rptg - % déct	Av. per fam. - Moy. par fam.	% rptg - % déct
	Hair preparations - concluded														
3107	Shampoos	37.7	91.6	39.7	91.3	49.6	94.1	26.6	87.1	36.2	87.9	39.5	94.4	35.4	92.3
3108	Home permanents, hair tints & dyes	5.8	22.1	4.3	19.5	3.0	16.3	3.8	19.3	5.0	21.6	4.4	19.1	8.6	26.2
3109	Other hair preparations	3.9	23.8	3.0	20.2	1.6	12.2	3.0	17.6	3.7	23.2	2.9	22.6	3.2	20.2
3110	Manicuring preparations	5.9	41.4	4.3	34.2	4.9	32.2	3.6	35.0	3.5	33.2	5.1	38.8	6.5	45.1
3111	Personal deodorants	22.2	85.3	25.4	84.4	24.3	80.8	19.6	83.9	25.7	84.1	26.7	87.4	22.0	83.8
3112-3113	Shaving preparations	15.1	59.3	16.3	60.7	17.6	63.2	14.0	58.3	14.3	58.0	18.4	62.7	13.5	57.9
3112	Shaving cream & soap	7.7	46.4	8.4	48.0	8.1	48.6	7.3	47.6	8.1	47.9	9.1	47.7	6.5	44.6
3113	Pre-shave & after-shave products	7.4	35.8	7.9	38.0	9.5	46.2	6.7	33.1	6.2	32.9	9.2	39.4	7.0	33.1
3114	Other toilet preparations & cosmetics	5.8	38.7	4.7	32.6	4.1	30.2	3.1	27.8	4.5	33.8	5.6	33.7	6.6	37.4
3120-3121	Oral hygiene products	34.1	96.2	39.8	96.3	49.4	96.1	27.4	91.8	36.9	96.9	39.0	96.4	33.7	96.1
3120	Toothpaste	23.6	91.1	29.7	93.5	39.3	94.9	21.2	90.4	26.6	92.7	28.4	94.0	23.4	93.0
3121	Other oral hygiene products	10.5	61.8	10.1	52.8	10.1	44.3	6.3	48.1	10.3	55.4	10.6	56.2	10.3	57.2
3122	Toilet & other personal soap	25.1	82.6	25.2	82.6	27.9	82.5	20.3	80.1	25.1	84.2	24.5	81.2	26.3	83.8
3123	Razors & razor blades (ex elec. razors)	12.3	61.9	15.4	66.5	19.8	72.4	12.3	60.6	12.7	66.7	16.3	63.2	11.5	58.0
3124	Disposable diapers	21.3	9.9	25.8	10.7	36.5	14.7	...	...	17.7	7.3	29.6	13.0	25.2	10.2
3130-3131	Personal care electric equipment	9.9	25.8	10.7	29.2	12.5	31.7	7.8	27.9	9.9	26.7	11.0	30.8	8.1	20.7
3140	Other personal care supplies & equipment	28.7	75.2	30.7	76.8	33.9	74.9	23.7	71.6	29.0	78.4	31.9	77.1	22.6	69.4
3150-3153	Personal care services	173.8	91.5	147.6	91.1	136.3	90.9	134.4	91.1	147.7	89.8	158.3	92.8	179.2	89.5
3150-3151	Hair washing, cutting & styling services	135.4	88.1	119.2	88.3	114.7	88.7	108.3	88.8	120.5	86.4	123.0	90.5	140.7	86.8
3150	Men's hair	58.7	69.2	57.4	72.7	56.7	71.7	50.6	71.1	56.2	70.1	60.6	77.0	58.0	66.8
3151	Women's hair	76.7	88.4	61.8	67.8	58.0	73.7	55.7	88.7	64.3	84.9	62.4	67.1	82.6	68.8
3152	Other hair grooming services	34.3	41.2	26.8	39.9	20.1	34.7	27.0	39.6	26.3	40.1	32.1	43.5	31.1	40.3
3153	Other personal grooming services	4.1	5.4	1.8	2.5	...	...	...	...	...	...	...	...	7.5	8.5
3200-3370	Recreation	1261.4	95.6	967.7	93.9	995.2	93.1	841.8	91.9	995.8	91.9	970.8	97.4	1611.4	94.0
3200-3271	Recreation equipment & associated services	343.8	81.7	276.6	77.3	294.8	78.3	217.5	73.2	287.7	73.1	285.6	82.7	378.9	78.3
3200-3206	Sporting & athletic equipment	73.1	42.3	62.3	42.7	52.5	45.2	41.5	33.8	67.8	38.8	65.8	47.6	86.5	40.3
3200	Golf	8.1	6.5	4.7	4.9	...	...	...	...	5.9	6.2	4.5	5.7	7.0	4.7
3201	Ice hockey equipment (exc. skates)	10.0	11.4	9.4	12.1	8.2	13.1	...	...	11.2	11.0	8.2	13.5	8.8	11.4
3202	Ice skates	10.4	13.8	11.9	16.7	13.0	21.0	9.9	13.5	11.9	14.9	11.5	16.5	9.7	14.2
3203	Downhill skiing	9.7	3.8	2.6	1.4	...	...	...	...	...	...	...	...	11.6	4.7
3204	Cross-country skiing	5.1	4.5	4.9	3.6	...	...	...	...	...	...	7.3	6.1	5.4	6.0
3205	Fishing	10.6	17.1	11.3	19.4	15.8	26.7	7.0	12.1	10.4	18.6	8.9	19.2	9.4	13.7
3206	Other sporting & athletic equipment	19.1	16.4	17.6	15.1	10.7	9.3	6.9	9.2	19.7	16.3	21.6	18.6	14.8	14.3
3210-3211	Playground equipment	7.7	5.5	3.4	4.8	...	...	...	...	...	...	2.3	5.9	18.5	6.4
3220-3229	Toys, games & hobby equipment	89.9	54.2	83.6	53.7	101.0	58.2	79.5	49.4	87.6	49.7	88.4	55.6	74.6	50.7
3220-3222	Toys	26.3	29.3	34.8	32.1	41.8	40.5	26.5	26.6	33.8	28.3	32.8	31.4	21.8	27.5
3220	Dolls (incl. clothing) & stuffed toys	8.0	17.8	10.9	21.2	12.2	28.8	9.2	20.2	11.6	18.7	9.6	19.2	5.8	13.3
3221	Toy vehicles & construction toys etc.	10.4	16.1	14.7	17.9	20.0	22.1	11.2	16.6	13.2	15.1	13.5	18.6	10.2	15.0
3222	Other toys	7.9	18.1	9.2	17.2	9.7	18.8	6.0	13.3	9.0	16.5	9.7	17.6	5.8	17.4
3223	Sleighs, toboggans & childrens' vehicle	3.7	8.8	5.4	12.9	9.8	20.6	2.9	9.3	4.0	11.2	4.4	10.2	3.7	8.5
3224-3229	Games & hobby equipment	69.9	48.0	53.4	44.2	49.3	46.3	50.2	45.3	49.8	41.0	61.2	46.8	49.0	39.5
3224	Electronic computer equipment	16.2	1.9	...	...	...	...	...	...	...	...	...	...	...	...
3225	Electronic games & parts	18.9	10.2	22.1	12.3	25.2	13.3	15.4	8.2	19.9	11.7	23.8	13.1	9.3	6.7
3226	Handicraft kits & r. terials	16.7	19.5	11.3	15.6	3.8	7.3	14.2	19.5	11.6	16.3	15.5	19.9	13.5	14.6
3227	Artists' materials	8.8	7.8	2.4	5.0	...	...	...	...	3.0	6.0	2.3	5.0	9.5	7.7
3228-3229	Other games & r.. eation equipment	11.3	29.6	13.1	32.8	17.1	38.9	17.0	33.9	10.6	27.2	12.8	35.3	8.4	24.1
3230-3236	Photographic goods & services	99.3	69.2	77.1	61.7	78.4	57.0	51.8	54.2	75.4	59.2	82.8	69.4	73.1	62.1
3230-3231	Cameras	17.2	10.1	13.2	9.3	15.9	9.4	...	...	13.8	9.1	12.3	10.5	11.7	8.7
3232	Camera parts & accessories	9.3	17.3	6.8	19.6	7.5	21.6	3.9	17.8	7.4	17.4	8.2	20.7	5.4	10.6
3233	Other photographic goods (ex film)	4.0	13.9	2.3	11.8	1.7	11.2	3.9	12.7	1.9	10.4	2.8	13.8	3.0	9.8
3234-3235	Film & processing	57.7	85.7	45.1	56.8	41.4	52.4	35.0	51.1	46.8	56.5	47.2	61.3	48.8	58.4
3234	Films (ex processing)	17.3	50.1	13.5	42.5	12.8	38.2	9.6	28.4	14.2	44.1	13.7	45.8	15.1	44.1
3235	Film processing (incl film)	40.4	55.6	31.6	48.4	28.6	44.9	25.4	41.7	32.6	46.6	33.5	54.2	31.7	47.7
3236	Other photographic services	11.1	16.5	9.7	14.6	11.8	16.7	5.3	8.8	5.6	10.3	14.2	19.5	6.2	13.3
3240-3241	Musical instruments, accessories & parts	34.6	6.9	19.0	7.3	35.8	9.3	...	...	12.4	6.8	12.9	6.8	20.5	8.3
3250	Collectors' items (ex works of art etc)	7.3	3.8	3.2	2.2	...	...	...	...	...	...	...	...	8.2	3.5
3260-3262	Camping & picnic equipment (ex. bbq's)	11.3	14.6	11.9	16.7	14.8	16.5	...	...	11.1	16.3	12.1	19.2	9.7	16.5
3270	Supplies & parts for recreational equip.	7.4	14.8	5.0	15.2	7.3	18.6	...	...	3.7	12.9	5.7	17.5	8.3	14.0
3271	Rental, maintenance & repairs	3.1	4.4	1.2	2.8	...	...	...	...	1.9	4.8	...	...	1.4	2.9
3280-3297	Recreation vehicles & outboard motors	256.7	35.5	200.0	36.5	254.8	42.7	88.9	24.8	224.4	34.5	154.8	36.7	150.3	33.0
3280-3289	Purchase of recreation vehicles	173.3	19.0	133.8	20.9	180.0	24.1	11.8	12.7	166.1	21.6	96.6	19.4	86.2	18.4
3280	Bicyles	19.8	12.2	17.7	12.9	23.6	15.8	...	...	16.5	13.4	16.1	11.3	20.5	12.7
3281-3289	Other vehicles & outboard motors	153.5	8.5	116.1	10.5	136.4	12.8	...	...	149.6	9.8	80.5	10.6	65.7	7.0
3290-3297	Operation of recreational vehicles	83.4	29.1	66.2	31.1	94.8	36.7	55.1	18.5	58.3	28.9	58.2	32.0	64.2	26.2
3290	Bicycle repairs, parts & accessories	3.3	10.2	1.9	7.5	...	...	...	...	2.3	7.8	2.1	9.0	3.8	10.8
3291-3297	Other vehicle operation	80.1	22.4	64.3	27.2	93.8	34.2	54.0	18.1	56.0	24.2	56.1	28.2	60.4	17.9
3291	Fuels	22.5	15.8	26.0	20.1	55.4	30.2	20.5	12.8	21.1	15.7	12.6	19.9	17.3	13.4

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Région et la province													
		All classes - Toutes categories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Quebec	
		Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl	Av per fam - Moy par fam	% rptg - % décl
	Other vehicle operation - concluded														
3292	Maintenance & repair supplies &parts	196	94	180	130	232	169	213	87	145	105	184	141	128	72
3293	Maintenance & repair jobs	73	30	58	34	..	..	..	..	..	..	119	58	40	17
3294	Insurance premiums,registration fees	209	145	116	153	90	149	..	..	138	181	107	163	203	123
3295-3297	Other operation services	98	36	29	20	..	..	..	..	..	..	..	..	60	22
3300-3314	Home-entertainment equipment & services	2494	719	2011	685	2169	636	1243	647	1865	685	2219	727	2181	693
3300	Transceivers	11	4	..	..	..	..	..	..	..	..	..	..	..	..
3301	Radio sets (ex combinations)	64	77	78	114	93	151	72	132	94	118	48	81	75	82
3302	Radio combinations	125	81	124	84	103	72	76	83	95	53	185	131	111	59
3303-3304	Television sets (incl combinations)	574	107	539	123	545	130	363	102	504	107	609	140	493	100
3303	Colour	539	81	487	80	483	91	..	..	484	72	548	86	447	68
3304	Black & white	34	29	52	45	..	..	..	..	..	..	61	55	45	36
3305	Record players	14	11	17	20	..	..	..	..	..	..	..	..	..	..
3306	Audio-tape recorders/players	52	36	60	53	..	..	..	..	66	50	61	81	41	31
3307	Video-tape & disc recorders/players	216	27	153	26	..	..	..	..	..	..	..	..	139	21
3308	Electronic-equipment components	519	77	402	72	603	71	..	..	290	73	441	77	585	77
3309	Records & blank & pre-rec audio tapes	539	566	448	521	469	445	328	462	438	549	466	549	441	539
3310	Blank & pre-recorded video tapes & discs	61	56	37	62	52	73	29	106	..	..	44	76	62	61
3311	Other home-entertainment equipment	105	62	36	24	..	..	..	..	..	..	..	..	82	65
3312	Parts purchased separately	21	22	6	17	..	..	..	..	..	..	..	..	..	..
3313	Rental of equipment (incl recordings)	83	67	24	29	..	..	..	..	..	..	..	..	30	20
3314	Maintenance & repair jobs	110	128	75	104	65	82	46	96	84	118	77	104	97	124
3320-3370	Recreation services	4116	882	2900	828	2287	787	2329	780	3172	827	3085	865	3641	837
3320-3326	Spectator-entertainment performances	1474	828	1046	754	937	715	876	724	1084	749	1061	794	1397	777
3320	Motion picture showings	414	607	347	539	435	544	341	557	343	527	291	546	352	542
3321-3324	Live sports spectacles	237	283	128	247	42	175	225	348	133	218	166	315	240	256
3321	Football	43	61	..	..	..	..	..	..	..	..	..	..	10	27
3322	Hockey	87	138	87	187	33	145	118	250	84	173	122	223	75	100
3323	Baseball	35	86	9	31	..	..	..	..	..	..	16	49	68	146
3324	Other live sports spectacles	72	108	29	68	..	..	101	163	38	55	23	93	88	79
3325	Live staged performances(eg concerts)	266	382	140	339	117	351	116	257	148	329	150	357	268	401
3326	Cablevision	557	491	431	394	343	289	293	272	460	444	479	424	538	410
3330-3350	Use of recreation facilities	1304	633	855	542	583	449	797	484	912	526	882	636	941	542
3330-3336	Membership fees & dues for clubs etc	569	279	323	213	215	168	310	177	401	218	303	246	419	228
3340-3347	Fees for single usage	584	429	410	380	276	322	372	341	422	355	494	459	452	343
3350	Admission to museums, exhibitions etc	151	351	122	251	92	136	114	304	88	240	183	337	70	237
3360-3361	Travel tours	1164	84	497	42	..	..	..	..	500	51	..	..	1190	81
3370	Other recreation services	174	115	502	185	592	226	345	138	676	191	250	156	113	84
3380-3385	Reading materials & other printed matter	157.9	93.7	124.0	92.4	109.5	91.5	104.6	93.3	129.3	91.2	131.0	94.4	177.2	91.8
3380	Newspapers	64.4	82.7	51.5	82.3	44.5	78.6	52.6	80.3	57.3	83.1	49.0	84.2	74.9	78.0
3381-3382	Magazines & periodicals	41.2	68.3	33.9	62.6	29.9	50.5	29.1	73.9	34.5	63.2	36.9	68.3	40.1	61.9
3381	Subscriptions paid in 1982	19.9	40.9	16.5	39.2	15.7	30.7	18.5	51.2	16.6	39.3	16.7	42.9	17.7	37.8
3382	Purchase of single copies	21.3	48.4	17.4	44.4	14.2	33.6	10.5	36.6	17.9	44.6	20.2	53.0	22.4	39.3
3383	Books & pamphlets (excl school books)	46.2	46.5	35.6	37.8	32.8	32.3	22.0	33.0	34.0	38.2	42.0	41.9	57.4	47.1
3384	Maps, music & other printed matter	3.9	14.2	1.8	9.0	1.3	6.9	..	..	2.2	8.7	1.9	11.5	2.6	7.2
3385	Services,uplicating,library fees & fines	2.3	12.1	1.2	6.7	..	..	..	..	1.3	7.9	1.2	7.5	2.1	8.5
3390-3400	Education	1800	44.0	150.6	49.5	146.3	58.1	137.8	37.1	162.1	49.2	141.5	46.2	188.0	47.9
3390-3392	Supplies	173	252	298	393	353	468	203	311	261	386	324	384	203	316
3393-3395	Textbooks	263	184	201	205	316	482	..	..	147	109	203	157	283	242
3396-3398	Tuition fees	1098	209	824	139	561	153	91.5	123	1014	143	751	128	877	238
3396	Kindergarten, nursery school, etc	57	23	47	19	..	..	..	..	..	..	..	..	37	18
3397	Elementary & secondary	240	43	..	..	..	..	..	..	..	..	..	..	275	73
3398	Post-secondary	801	157	739	115	514	127	847	98	902	124	672	97	565	165
3399	Other lessons & courses (ex driving)	316	182	158	124	169	74	141	93	177	141	131	143	291	190
3400	Other education services	33	31	25	28	..	..	..	..	..	..	..	..	26	16
3500-3515	Tobacco products & alcoholic beverages	892.2	90.6	838.9	86.1	1111.5	91.2	891.9	74.8	789.0	85.5	737.9	85.4	805.4	94.6
3500-3503	Tobacco products & smokers' supplies	361.9	58.1	415.5	62.2	549.6	67.9	361.2	53.6	375.1	61.3	382.5	60.9	420.3	65.0
3500	Tobacco	18.6	9.7	31.9	13.8	57.4	18.3	20.0	11.2	27.1	12.2	22.3	13.3	31.9	13.9
3501	Cigars & similar products	6.2	4.9	3.1	4.5	..	..	..	..	..	..	3.8	7.5	5.3	3.7
3502	Cigarettes	330.3	52.2	371.9	53.0	479.4	52.6	330.9	46.2	337.9	52.6	346.9	54.8	374.6	56.5
3503	Matches & other smokers supplies	6.8	36.3	8.6	44.4	12.4	52.6	5.2	34.9	6.3	44.0	9.5	40.9	8.5	37.3
3510-3515	Alcoholic beverages	530.3	85.2	423.4	74.4	561.9	84.0	330.7	63.5	413.9	70.4	355.4	74.7	485.1	88.3
3510-3512	Served on licensed premises	182.6	55.2	144.5	46.9	189.3	53.7	125.2	36.9	144.5	44.6	116.5	46.8	170.1	51.6
3510	Beer	99.3	38.3	92.9	35.3	129.0	45.7	62.4	23.6	87.1	31.3	80.5	35.2	105.3	40.0
3511	Wine & cider	24.6	25.6	7.8	11.7	4.9	7.8	5.7	7.9	9.4	13.7	8.1	12.5	24.1	25.2

TABLE 33. Detailed Average Expenditure, by Region and Province, Canada, 10 Provinces, 1982

All Families and Unattached Individuals

		Region and Province - Region et la province													
		All classes - Toutes categories		Atlantic Provinces - Provinces de l'Atlantique		Newfoundland - Terre-Neuve		Prince Edward Island - Île-du-Prince-Édouard		Nova Scotia - Nouvelle-Écosse		New Brunswick - Nouveau-Brunswick		Quebec	
		Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl	Av per fam - Moy par fam	% rptg - % decl
	Served on licensed premises - concluded														
3512	Liquor	58 6	35 0	43 8	28 0	55 5	31.2	57 1	25 2	48 1	27 4	27 9	26 8	40 7	25 5
3513-3515	Purchased from stores	347 7	83 8	279 0	72 2	372 6	80 4	205 5	61 2	269 3	69 1	238 9	72 4	315 0	87 1
3513	Beer	139 7	58 8	136 1	59 7	199 0	69 2	87.5	47 4	113 5	57 0	129 4	58 6	134 6	74 1
3514	Wine & cider	71 6	61 6	32 6	40 7	31 7	43 1	18 8	23 7	35 9	39 1	31 5	44 0	88 2	69 9
3515	Liquor	136 4	67 2	110 2	55 5	141 8	65 9	99 1	41 6	120 0	56 1	78 0	50 1	92 3	63 7
3600-3611	**Miscellaneous**	**796.5**	**93.9**	**678.5**	**90.7**	**868.9**	**86.9**	**537.9**	**89.6**	**711.8**	**90.9**	**733.1**	**93.4**	**726.7**	**93.5**
3600	Interest on personal loans	302 9	44 0	366 1	52 0	325 4	52 6	299 3	39 3	357 5	51 2	417 0	54 9	231 9	41 5
3601-3602	Expenses on other property	71 6	3 8	27 2	4 4	..	..	..	..	51 1	8 4	..	..	46 7	3 4
3603	Legal services n e s	42 6	8 7	20 4	6 3	..	..	..	..	29 1	8 9	18 1	7 7	39 3	8 9
3604	Financial services bank tax advice etc	36 6	53 2	20 4	38 1	15 1	27 4	24 7	46 1	19 8	37 5	24 2	45 0	28 9	42 8
3605	Dues to unions & professional associations	107 9	42 1	87 7	39 7	102 4	50 5	44 5	26 0	89 5	36 2	82 8	38 8	133 8	44 9
3606	Contributions & dues for social clubs etc	16 7	24 5	17 3	24 5	21 1	19 3	9 5	15 3	11 4	21 6	23 5	33 3	12 1	20 4
3607	Government-run lottery tickets	90 0	65 1	67 0	59 7	47 3	48 9	77 1	58 0	75 6	64 9	68 3	60 8	115 2	72 9
3608	Other lottery & raffle tickets	11 1	33 8	11 5	31 3	14 4	31 3	9 5	25 9	7 6	30 7	14 8	33 0	7 9	21 2
3609	Forfeit of deposits, fines money lost etc	40 4	20 0	9 5	11 4	7 7	11 6	14 4	13 0	9 1	10 4	10 4	12 1	45 8	21 3
3610	Tools & equipment purchased for work	18 2	6 9	7 7	5 6	..	..	..	..	7 2	5 2	8 2	6 3	17 2	6 4
3611	Other passports funeral services etc	58 3	7 7	41 6	5 8	..	..	..	..	54 0	6 7	49 1	5 9	47 8	6 4
3700-3703	**Personal taxes**	**4836.6**	**89.4**	**3235.1**	**83.7**	**3182.7**	**86.9**	**2056.1**	**77.3**	**3474.8**	**81.0**	**3193.3**	**86.0**	**4866.0**	**86.4**
3710-3716	**Security**	**1163.8**	**83.3**	**996.1**	**79.3**	**861.5**	**80.6**	**653.2**	**71.3**	**1080.9**	**78.9**	**1043.9**	**80.3**	**1253.3**	**85.6**
3710	Life insurance premiums	220 0	51 5	153 8	40 2	111 2	23 0	85 5	25 8	165 8	46 0	180 5	47 5	277 0	66 0
3711	Annuity contracts	38 1	1 0	..	..	..	..	..	..	..	..	..	..	..	..
3712	Mutual aid & benefit society payments	2 1	1 2	3 5	2 6	..	..	..	..	..	..	9 1	7 1	..	..
3713	Unemployment insurance payments	254 0	75 0	221 5	73 9	224 3	78 6	156 3	66 2	233 7	70 9	215 7	75 7	248 2	75 5
3714-3716	Retirement & pension fund payments	649 7	78 4	596 6	75 5	519 5	80 4	406 2	69 4	651 6	72 6	621 0	77 0	680 9	77 4
3714	Canada & quebec pension plan	269 6	78 2	223 6	75 3	231 5	80 4	179 4	69 4	234 3	72 1	212 4	76 8	250 6	77 3
3715	Other government	176 5	13 1	222 1	17 4	195 0	18 5	151 1	10 9	231 1	16 9	242 2	18 3	204 0	14 3
3716	Other (ex rrsps)	203 6	18 7	152 9	13 7	93 1	8 6	..	..	186 1	15 8	186 4	15 8	226 2	17 0
3720-3724	**Gifts and contributions**	**809.0**	**92.2**	**684.5**	**93.9**	**584.8**	**95.5**	**748.4**	**96.3**	**712.8**	**93.7**	**721.0**	**92.8**	**467.0**	**83.0**
3720-3722	Persons outside spending unit	610 9	85 7	451 9	88 0	380 0	88 4	436 9	91 4	488 9	89 8	458 2	85 0	384 5	72 1
3720-3721	Money gifts and contributions	371 5	52 4	225 5	53 7	233 2	65 0	232 5	59 4	247 5	54 7	191 3	43 7	259 7	43 7
3720	Persons living inside canada	328 8	48 5	207 1	52 4	213 7	63 5	218 7	57 7	227 9	53 1	174 2	43 0	235 5	41 6
3721	Persons living outside canada	42 6	9 6	18 4	4 9	..	..	13 8	8 6	19 6	5 7	..	..	23 3	4 8
3722	Other gifts eg flowers, clothing, toys	239 4	64 2	226 4	61 6	146 8	48 8	204 4	63 4	241 4	63 7	266 9	67 4	124 8	47 7
3723-3724	Charitable organizations	198 1	72 4	232 6	82 7	184 8	88 4	311 5	90 2	223 9	80 3	262 8	80 3	82 5	57 7
3723	Religious organizations	147 6	42 7	186 2	64 3	161 6	75 0	220 3	68 4	166 5	60 1	222 0	61 2	49 1	33 3
3724	Other charitable organizations	50 5	61 3	46 4	71 8	23 2	77 4	91 2	85 1	57 4	70 3	40 8	67 5	33 4	44 4
1000-3611	**Total current consumption**	**20252.8**	**100.0**	**17518.1**	**100.0**	**18842.7**	**100.0**	**15339.0**	**100.0**	**17582.0**	**100.0**	**17040.9**	**100.0**	**19029.2**	**100.0**
1000-3724	**Total expenditure**	**27062.3**	**100.0**	**22433.8**	**100.0**	**?3231.7**	**100.0**	**18796.7**	**100.0**	**22950.5**	**100.0**	**21999.1**	**100.0**	**25615.5**	**100.0**
3800-3855	**Total value of items not purchased**	**373.9**	**79.6**	**425.0**	**85.4**	**314.5**	**83.6**	**370.6**	**84.2**	**471.1**	**88.4**	**453.6**	**83.1**	**253.4**	**67.2**
3800-3830	Value of food not purchased	85 5	34 1	78 5	32 1	29 6	20 5	87 1	40 2	54 9	31 9	141 3	38 9	69 2	28 7
3800	Home produced for family use	55 3	31 3	49 8	29 7	27 2	18 8	84 2	38 7	49 9	30 5	62 8	34 6	41 3	26 5
3820	Farm produced for family use	21 5	2 4	..	..	..	..	..	..	..	..	..	..	21 2	1 8
3830	Received as part of wages	8 7	1 7	20 2	3 2	..	..	..	..	..	..	58 7	6 7	6 7	1 8
3840	Value of other farm produce for family use	4 5	1 1	..	..	..	..	..	..	..	..	..	..	6 7	1 4
3850-3855	Value of gifts received	264 0	72 0	342 7	80 8	285 9	80 8	281 0	77 8	411 8	85 4	306 4	75 8	177 5	57 0
3850	Furniture	29 8	6 4	50 7	6 1	..	..	..	..	80 4	7 7	41 6	6 5	25 4	5 0
3851	Household equipment	21 4	14 2	16 3	12 3	15 7	9 9	10 5	8 6	16 7	13 0	17 1	13 7	13 6	11 3
3852	Home entertainment equipment	11 8	5 4	11 5	5 6	..	..	..	..	14 9	8 3	7 4	5 1	11 1	4 9
3853	Other household durables	26 7	18 4	26 5	20 3	19 0	17 0	25 9	25 3	30 2	19 4	27 3	22 9	25 8	13 9
3854	Clothing	104 1	50 5	144 6	65 1	140 5	66 5	118 8	58 1	154 0	68 1	140 5	61 5	47 4	29 9
3855	Other non-money gifts	90 1	41 7	93 1	46 3	81 3	47 4	96 8	57 3	115 5	47 1	72 6	42 7	54 1	27 8
	Selected items in net change in assets														
3900	Registered retirement savings plans	331 7	18 4	203 3	11 8	158 4	9 5	26 9	13 0	204 2	12 1	264 5	12 8	262 6	14 5
3901	Payment on principal of mortgage on home	968 9	34 2	440 9	30 5	256 0	24 7	259 2	29 5	650 7	32 8	338 5	31 8	442 1	30 7
3902-3904	Additions renovations etc re home	605 7	30 4	585 3	34 8	700 4	44 1	462 2	25 1	571 6	32 9	544 1	32 5	551 4	27 4
3902	Additions	203 5	12 0	176 6	13 1	187 0	16 8	296 6	15 8	146 1	11 7	200 3	11 9	146 1	10 0
3903	Renovations and alterations	305 5	18 3	310 2	20 6	405 0	25 4	..	..	329 0	20 9	262 4	19 1	334 4	18 0
3904	New installations of equipment & fixture	96 6	12 1	98 5	14 3	128 4	21 2	91 4	10 9	96 5	12 5	81 4	12 3	70 8	10 6

APPENDIX B

U.S. IMPORTED ITEMS WITH APPROPRIATE TARIFF

Stats. Cdn #	Description	Cons. Expen.	Duty	Tariff #
Category 1: Food				
* Indicates seasonal tariff				
1060-62	Poultry, fresh or frozen	104.52	12.5%	93001
1070-73	Cured meat	58.76	.1/1b	100101
1080	Uncooked Sausage	13.52	.6/1b	100104
1081	Bologna	16.12	.1/1b	100201
1082	Wieners	28.08	.1/1b	100201
1083	Other cooked/cured sausage	16.64	.1/1b	100201
1084	Cooked ham	23.4	.1/1b	100101
1085	Other ready cooked meat	17.16	.1/1b	100101
1086	Other meat preparations	2.08	.1/1b	100201
1091	Meat stews	3.12	17.5%	902501
1110	Pre-cooked frozen fish por.	9.36	11.0%	1230101
1130	Salmon, canned	16.64	3.6%	1230201
1131	Tuna, canned	16.12	11.0%	1230301
1132	Other canned fish	3.64	11.0%	1230301
1165	Yogurt	9.36	15.0%	450001
1175	Ice cream & ice milk	30.16	17.5%	7110007
1176	Ice ream & ice milk novel.	6.24	17.5%	7110007
1177	Other dairy products	6.24	15.0%	450001
1180	Eggs	56.16	3.5c/doz	160001
1194	Doughnuts	7.8	16.1%	1410001
1195	Yeast raised sweet goods	2.08	16.1%	1410001
1196	Dessert pies, other cakes.	22.88	16.1%	1410001
1197	Other bakery products	3.64	16.1%	1410001
1200	Canned pasta products	7.8	17.5%	902501
1210	Rice and mixes	6.76	.25per 100/1bs	630001
1211	Wheat flour	24.44	.50per b rrel	610001
1212	Other cereal flour	17.16	10.0%	450501
1213	Cereal starches	.42	.1/1b	391001
1214	Other grains...	3.64	.40per barrel	530001
1215	Breakfast cereal	41.6	10.0%	450501
1216	Cake and other flour ...	13.	16.1%	1410001
1217	Other cereal grain prod.	2.6	7.5%	450501
1222	Cherries, fresh	1.56	*10.0%	902601
1228	Peaches and nectarines, fr.	4.68	*12.5%	921201
1229	Pears, fresh	2.6	*12.5%	921401
1230	Plums, fresh	2.6	*12.5%	921601
1233	Strawberries, fresh	9.88	*10.0%	922001
1260	Apple juice, ex. concen.	15.6	5.0%	1065901

Category 1: Food Con'd

1261	Grapefruit juice, ex. con.	.16	3.0%	1065701
1262	Orange juice, ex. concen.	14.04	3.0%	1065201
1263	Other fruit juice	16.64	10.0%	1066301
1270	Orange juice, concentrated	13.52	3.0%	1065201
1271	Other fruit juice, concen.	3.12	10.0%	1066301
1280	Apple sauce	1.56	5.0%	1060101
1281	Peaches, canned	5.72	13.0%	1060401
1284	Mixed fruit, canned	4.16	10.0%	1060801
1287	Fruit pie filling	1.71	10.0%	1060801
1290-92	Nuts	8.58	10.0%	1140001
1300	Green or wax beans, fresh	.94	*10.0%	870301
1301	Broccoli, fresh	2.6	*15.0%	870701
1302	Brussels spouts, fresh	.83	*12.5%	870901
1303	Cabbage, fresh	2.6	*15.0%	871001
1304	Carrots	10.92	*.5/1b	871201
1305	Cauliflower, fresh	1.56	*5.0%	871401
1306	Celery, fresh	4.16	*15.0%	871501
1307	Corn, fresh	2.6	*15.0%	871601
1308	Cucumbers, fresh	5.2	*15.0%	871701
1309	Lettuce, fresh	9.36	*15.0%	872401
1310	Mushrooms, fresh	4.16	12.5%	872501
1311	Onions, fresh	8.84	*15.0%	872901
1312	Peppers, fresh	3.64	*10.0%	873401
1313	Potatoes	29.64	35.3c/ 100lbs	830501
1314	Radishes	.52	*10.0%	873701
1316	Tomatoes, fresh	18.2	*15.0%	874201
1318	Other seed and gourd veg.	2.08	5.0%	874001
1319	Other root vegetables	1.56	5.0%	874701
1320	Other leaf and stock vegs.	1.56	*10.0%	873001
1330	Green or wax beans, froz.	.83	15.0%	900801
1331	Corn, frozen	.16	15.0%	900801
1332	Peas, frozen	3.12	15.0%	900801
1333	Potato products, frozen	9.36	10.0%	903501
1351	Baked beans, canned	6.24	10.0%	890301
1360	Tomato juice, canned	4.68	15.0%	903001
1361	Other canned veg. juice	1.46	15.0%	903101
1372	Ketchup	8.84	15.0%	902301
1373	Other sauce and sauce mix.	7.8	15.0%	902[illegible]1
1374	Mayonnaise & salad dress.	14.04	17.5%	7110007
1375	Other condiments	5.2	15.0%	1681001
1376	Spices	4.16	5.3%	310501
1390	Gum	1.04	16.1%	1410001
1391	Chocolate bars	7.28	12.8%	230001
1392	Other chocolate confections	5.2	12.8%	230001
1393	Sugar Candy	7.8	16.1%	1410001
1394	Other sugar confections	6.24	16.1%	1410001
1395	Other sugar preparations	3.12	16.1%	1410001
1410	Roasted or ground coffee	9.36	.2/1b	260001
1430	Margarine	39.52	.1/1b	130501
1431	Shortening	6.76	.1/1b	130001

Category 1: Food Con'd

1432	Lard	2.6	.1/1b	130001
1450-52	Infant or junior foods	10.4	17.5%	7110007
1460	Pre-cooked frozen dinners	5.2	17.5%	902501
1461	Dessert pies, cakes & other pastries	4.16	16.1%	1410001
1462	Frozen meat & poultry pies	2.6	.1/1b	100201
1463	Other pre-cooked food prep.	8.84	17.5%	7110007
1480	Potato, vegetable or macaroni salads	1.3	10.3%	903701
1481	Honey	5.2	1.5c/1b	1080001
1482	Peanut butter	18.72	.2/1b	180501
1483	Dairy product substitutes	3.64	12.8%	9381901
1485	Flavoring powders & cryst.	13.	16.1%	1410001
1487	Jelly powders	2.6	16.1%	1410001
1488	Prepared dessert powders	4.16	16.1%	1410001
1489	Potato chips	18.72	10.3%	903701
1490	Food drink powders	3.64	16.1%	1410001
1491	Canned puddings & custards	2.6	16.1%	1410001
1492	All other food preparations	9.36	17.5%	7110007
1500-02	Non-alcoholic beverages	81.64	17.5%	7110007

Total: 1158.83

Category 2: Shelter

2030-49	Materials, building	112.3	9.9%	5060001
2093	Bottled gas	27.3	11.1%	7111001

Total: 139.60

Category 3: Household Operations

2200	Purchase of telephones	.7	17.8%	4450801
2230	Canned dog and cat food	61.	6.0%	7111001
2231	Other dog and cat food	38.8	6.0%	7111001
2232	Other pet food	6.0	5.0%	692101
2240	Laundry detergent	61.9	1.20/ 100lbs	2290001
2241	Liquid detergent	28.8	13.1%	9340201
2242	Automatic dish. deterg.	6.4	19.9%	9340205
2243	Toilet-bowl cleaner	8.2	13.1%	9340201
2244	Cleaning and scouring pd.	13.6	13.1%	9340201
2245	Polishers and waxes	11.3	9.9%	9340203
2246	Other cleaning & pol. prep.	14.9	13.1%	9340201
2247	Bleach	13.8	12.8%	9381901
2248	Fabric softener	14.5	12.8%	9381901
2249	Disinfectant and deodorizers	9.	7.5%	9381102
2250	Other chemical specialties	7.3	10.0%	2280001
2260	Paper towels	22.4	11.1%	1990001
2261	Facial and bathroom tissue	62.6	9.9%	1970001
2262	Greeting cards & post cards	15.8	12.4%	1810501
2263	Stationary	7.	11.1%	1990001

Category 3: Household Operations Con'd

2264	Gift wrap paper	10.8	9.9%	1970001
2265	Other paper supplies	15.7	11.1%	1990001
2266	Plastic garbage bags	26.5	14.1%	9390701
2267	Other plastic supplies	7.9	14.1%	9390701
2268	Foil supplies	12.3	11.1%	1990001
2270	Seeds	7.4	9.8%	761501
2272	Potted plants, cut flowers	15.7	10.3%	780301
2273	Herbicides, insecticides...	3.9	7.5%	9381102
2280	Electric light bulbs...	9.8	12.4%	4450001
2281	Dry cell batteries	12.1	11.7%	4451201
2282	Stationary & other type...	4.7	11.1%	1990001
2283	Other supplies (brushes)	8.2	12.4%	6530001

Total: 539.00

Category 4:Household Furnishings and Equipment

2300-02	Upholstered furniture	97.8	15.6%	5190101
2303	Wooden bedroom furniture	38.1	15.9%	5190102
2304	Wooden living room furnt.	11.4	15.6%	5190101
2305	Wooden dining room furnt.	19.8	15.6%	5190101
2306	Wooden kitchen furniture	14.8	15.6%	5190101
2307-08	Other indoor wood furnt.	14.5	15.6%	5190101
2309	Outdoor furniture	3.	15.6%	5190101
2310	Metal and other furniture	15.1	13.2%	5190105
2330	Room size area rugs & carp.	8.3	20.0%	5720001
2340	Mirror & picture frames	3.7	9.9%	5120001
2344	Glass mirrors	2.5	12.5%	3230501
2350	Portable electric space heat.	3.6	12.4%	4430001
2360	Room size air conditioners	1.3	13.0%	4270005
2361	Portable humidifiers & dehu.	3.6	13.0%	4270005
2362	Refrigerators & refrigerator-freezers	28.9	14.2%	4150501
2363	Freezers	15.3	9.9%	4270001
2370	Cooking stoves & ranges	17.	12.7%	4430002
2371	Microwave & convec. ovens	13.8	12.7%	4430002
2372	Other for cooking...	11.1	12.7%	4430002
2373	Gas & other cooking stoves and ranges, non-electric	2.8	12.7%	4430002
2374	Gas barbecues	7.7	12.7%	4430002
2380-81	Electric appliances for food preparation	7.	13.0%	4270005
2390	Electric washing machines	22.5	14.0%	4151501
2391	Electric clothes dryer	11.2	14.0%	4154001
2393	Electric irons	2.5	9.9%	4270001
2400-03	Other electric equip...	29.6	13.0%	4270005
2410	Portable electric lamps	5.7	12.5%	4450401
2421	Food preparation utensils	2.	11.1%	4460301
2422	Food storage utensils	4.	14.1%	9390701
2423	Hand operated kitchen tools	.8	14.1%	9390701
2440	Power driven hand tools	8.6	9.9%	4270001
2441	Other power tools & equip.	20.5	9.9%	4270001

Category 4: Household Operations and Equipment Con'd

2450-56	Lawn, garden & snow removal tools and equipment	54.8	11.1%	4250501
2460-70	Other household equipment	60.7	13.0%	4270005
2480-83	Parts, accessories...	5.	9.9%	4270001

Total: 569.00

Category 5: Clothing

2552	Hosiery	37.2	17.5% +.40/doz	5682101
2562	Belts, handbags & wallets	14.1	15.8%	5780001
2563	Other accessories	1.1	15.8%	5780001
2640-50	Other apparel, acc. & jewl.	13.	15.8%	5780001
2704	Socks, men	17.2	20.0% +.10/doz	5682001
2732	Belts & wallets, men	4.4	15.8%	5780001
2733	Other accessories	2.4	15.8%	5780001
2800-08	Other apparel, acc. & jewl.	7.1	15.8%	5780001

Total: 96.50

Category 6: Transportation

2910-11	Automobile accessories (purchased separately)	10.5	9.9%	4382901
2932	Tires	82.2	11.1%	6181501
2933	Batteries	10.9	11.7%	4451201
2934	Other maintenance & repair supplies	66.8	9.9%	4382901
2935	Oil change & lubrication	35.3	8.6%	2710201
2937	Other maintenance & elect.	103.0	9.9%	4382901

Total: 308.70

Category 7: Health Care

3300	Medical supplies	3.8	11.1%	2360001
3001-02	Medicinal & pharma. prod.	84.9	10.3%	2200101
3020	Prescription lenses	22.8	11.1%	3270001
3030	Other health care goods	6.3	9.9%	2200301
3040	Prescription & fitting of dentures	14.8	11.1%	4800201

Total: 132.60

Category 8: Personal Care

3100	Creams & lotions	12.8	13.4%	2340001
3101	Eye make up	6.1	13.4%	2340001
3102	Lip preparations	6.5	13.4%	2340001
3103	Other make up	7.8	13.4%	2340001
3106	Hair cond. & cream rinses	12.4	13.4%	2340001
3107	Shampoos	36.2	13.4%	2340001
3108	Home permanent...	5.	13.4%	2340001
3109	Other hair preparations	3.7	13.4%	2340001
3110	Manicuring preparations	3.5	9.9%	2340501
3111	Personal deodorant	25.7	13.4%	2340001
3112	Shaving cream & soap	8.1	13.4%	2340001
3113	Pre-shave & after shave...	6.2	13.4%	2340001
3114	Other toilet prep. & cosm.	4.5	13.4%	2340001
3120	Toothpaste	26.6	13.4%	2340001
3121	Other oral hygiene prod.	10.3	13.4%	2340001
3122	Toilet & other soap	25.1	13.4%	2340001
3123	Razors and razor blades	12.7	11.1%	4290701
3124	Disposable diapers	17.7	11.1%	1990001
3130-31	Personal care electric equip.	9.9	13.0%	4270005
3140	Other personal care supplies & equipment	29.0	12.4%	6530001

Total: 269.80

Category 9: Recreation

3200	Golf	5.9	12.4%	5110001
3201	Ice hockey equipment	11.2	14.1%	9390701
3206	Other sporting and athl...	19.7	12.4%	5110001
3210-11	Playground equip. (aluminum)	3.4	11.2%	3540001
3223	Sleighs, toboggans, childdrens vehicles	4.	13.1%	4293001
3224	Electronic computer equip.	14.	3.9%	4141701
3225	Electronic games & parts	19.9	3.9%	4141701
3234-35	Film	46.8	11.1%	1870201
3260-62	Camping equipment	11.1	15.6%	5190101
3281-89	Other vehicles & outboard motors	149.6	15.3%	4400301
3292	Maintenance & repair supplies & parts	14.5	9.9%	4270001
3307	Video tape & disk rec...	15.3	10.2%	4453301
3308	Electronic equipment comp.	29.	11.3%	4452401
3309	Records & blank & pre-recorded audio tape	43.8	7.3%	6581001
3310	Blank & pre-rec video...	3.7	7.3%	6581001
3311	Other home entert. equi.	3.6	10.2%	4453301
3312	Parts purchased separately	.6	10.2%	4453301
3270	Supplies, parts for rec...	3.7	10.2%	4453301

Total: 399.80

Category 10: Reading Material &

3383	Books & pamphlets
3384	Maps,music, & other pri

Category 11: Education

3390-92	Supplies (stationary)

Category 12: Tobacco & Alcohol

3500	Tobacco (manufactured)
3502	Cigarettes

T

Category 13: Miscellaneous

3610	Tools & equipment purch for work (stationary)

ther Printed Matter

	34.	10.0%	1710001
t...	2.2	11.7%	1803001
otal:	36.20		
	26.1	11.1%	1990001
otal:	26.10		
	27.1	.70/lb	1450001
	337.9	20.6%	1431501
tal:	365.00		
sed	7.2	11.1%	1990001
Total	7.20		

Volume

3

Free Trade
Staff Briefing Book

Nova Scotia
Background Studies
Related to
Canada-U.S. Free Trade Negotiations

Volume 3 of 3

Prepared by:
Policy & Planning Division
Nova Scotia Department of
Industry, Trade and Technology
1986

Nova Scotia

Department of Industry, Trade and Technology

Hon. Roland J. Thornhill, Minister

FREE TRADE STAFF BRIEFING BOOK/JULY '86

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FOREWORD (1988)

The purpose of much of the research and consultations carried out by the Department of Industry, Trade and Technology prior to and during the trade negotiations was to identify and define how Nova Scotia's economic interests would be affected by freer trade with the U.S.A.

During the two and one half year period leading up to the January 2nd signing of the Free Trade Agreement, the department had access to many and varied sources of information, including confidential federal studies and papers, and many businesses and associations were very cooperative in supplying information on a confidential basis. The department also made use of the massive commentary and research generated on free trade issues, and cooperated in various external studies including the study done in 1986/87 by the Atlantic Provinces Economic Council.

The research, analysis and consultation undertaken throughout the period was a continuous process owing to the dynamic nature of the trade negotiations. Information was constantly updated, checked and refined as the potential scope and terms of the trade agreement evolved and changed.

The following three documents being released meet external confidentiality requirements and reflect information gathered and analysis carried out at various points between 1985 and the end of 1987.

VOLUME 1 - AN ECONOMIC MODEL ASSESSMENT OF FREE TRADE ON NOVA SCOTIA

In 1985 a research project was commissioned to test the impact of free trade using the well regarded Cox-Harris econometric model. The department wanted to apply this model to the Nova Scotia situation to gain more insight as to whether net gains and losses would occur in manufacturing and resource sectors and the potential magnitude of these. Results from this study are further updated in Volume 3.

VOLUME 2 - CONSUMER BENEFITS FOR NOVA SCOTIANS FROM CANADA-U.S. FREE TRADE

By early 1986, various wide ranging estimates of Canadian consumer benefits were being forecasted as a result of trade liberalization. The department commissioned an informal study in the summer of 1986 to better determine the potential for Nova Scotia consumer purchase and cost of living savings.

VOLUME 3 - FREE TRADE STAFF BRIEFING BOOK

As the formal negotiations began in mid-1986, a staff briefing book was prepared incorporating trade statistics, background commentary, and general findings from a survey of over 100 Nova Scotia firms and associations undertaken by the department in late 1985.

INTRODUCTION (1988)

Volume 3: Free Trade Staff Briefing Book

In the Spring of 1986, the Policy and Planning Division of the Department of Development prepared a briefing book for the Chief Provincial Negotiator and senior staff of the Department. This book dealt with topics relevant to the trade negotiations which were then beginning in earnest. The contents were based on data gathered from a wide variety of sources, including 108 interviews with Nova Scotia companies and associations representing a broad cross section of the provincial economy.

The briefing book consisted of about a dozen sections of diverse length and complexity, written by various sections of the division as stand-alone pieces. Some were mundane (but necessary), such as a short glossary of trade terms, a list of the firms contacted in the trade survey, etc. Others were short comments on specific issues of concern, such as protectionism, foreign investment, and historical trends in trade matters. At the core were presentations of statistical information on various sections of the provincial economy. The unifying thread in the book was simply the belief that the material would give useful background information to the reader.

In preparation this volume for publication, some changes had to be made in the original material. First, updates (marked as such) are inserted in several places, reflecting new information which was available by the end of 1987 or early 1988. Second, some of the statistical sections contained confidential information which cannot be published in a public document. (The reasons for this confidentiality, such as the requirements of the Canada Statistics Act, are explained in Section J.) Finally, tables in the original material and the updates have been numbered sequentially.

A.

Policy Development Section
Policy and Planning Division
April, 1986

TRADE BRIEFING BOOK:

EXECUTIVE SUMMARY

In the fall of 1985, evidence mounted that Canada/U.S. trade talks would begin in 1986. The Government of Nova Scotia, and in particular the Chief Provincial Negotiator, would require information on provincial trade patterns. The Department of Development set out to gather that information. This material was gathered from a variety of sources, including 108 interviews with Nova Scotia companies and associations representing a broad cross section of our economy.

Critical Numbers

Because Nova Scotia's provincial trade patterns are so diverse and complex, some systematic approach was needed to get a handle on them. This was done by dividing the provincial economy into the 29 basic sectors found in the 1970 Standard Industrial Classification (SIC)*, and studying the patterns in each sector. In addition, four of these sectors are so critical to the economy (Food Products, Pulp and Paper, Transportation Equipment and Miscellaneous Trades and Services) that they had to be further subdivided. Thus the inquiry in the end dealt with 45 sectors and sub-sectors, each of which is a distinct component of our economy.

It is important to see how those various sectors relate to one another, and what is their relative importance in the trading patterns of the province. To facilitate this, this book presents tables which show those relationships in terms of several key factors:

- The gross domestic product (GDP) generated by each sector;
- What % that is of the Nova Scotia GDP as a whole;
- Employment in each sector;

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*See Appendix III, "Standard Industrial Classification (SIC) as arranged for this Analysis"

- What % that is of Nova Scotia total employment;
- Total exports for each sector;
- Exports to the U.S. for each sector;
- What % each is of the total exports of the province;
- Shipments in each sector; and
- What % exports are of the shipments in each sector.

Industry Trade Interviews

In doing the 108 interviews mentioned above, staff encountered a great variety of views and opinions about Nova Scotia trade and the issue of freer trade*, especially with the U.S. Arising out of this are a group of basic themes which are presented in this booklet in Part E: "Nova Scotia Industry Trade Survey: General Findings." Some of these findings can be summarized as follows:

- Two thirds of those interviewed expressed positive support for freer trade with the U.S., with many advocates not only enthusiastic about the economic benefits but also adamant about its vital importance to Canada's future prosperity.

- About 15% of those interviewed were quite opposed to freer trade, and the remaining 20% were ambivalent, still weighing the pros and cons.

- Most companies identified exchange rates as a crucial factor in foreign marketing, and many suggested that they are a much more important issue than tariffs.

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*See "Free/Freer Trade", Appendix I

- Non-tariff obstacles to trade, especially countervailing duties and anti-dumping levies, are taking on an importance as great or greater than tariffs, especially with respect to trade with the U.S. Their use, or the threat of their use, has either hindered or excluded exports from various Nova Scotia manufacturers and primary producers, as well as firms in the service sector.

- Tariffs themselves do however still play some role in inhibiting trade in some products in some sectors, and occasionally discourage value-added work on our natural resources. At the same time, they are not the dominant factor in trade flows that they once were. (By January 1, 1987, the average of tariffs imposed by the U.S. will be 4%, the EEC and Japan 5 - 7%, and Canada 9 - 10%.)

- Successful exporters are those with established market niches, and most of those are based on the quality and speciality of their products. At the same time, vulnerable manufacturers tend to be those producing goods which are today marketed more like commodities, and are therefore more price sensitive.

- Some companies reported that they are severely hindered by interprovincial trade barriers, and also by the cost of "doing business in Canada".

Econometric Modelling

Another approach to understanding the impact of trade liberalization on the economy is to look at the findings of a number of econometric modelling exercises dealing with that issue. The results of some of those studies are presented

in this booklet in Part J: "What the Economic Studies Tell Us". Some of their findings can be summarized as follows:

° Studies in the 1950s and 1960s correctly predicted that declining world tariffs would increase real income in Canada.

° A 1985 study done by Richard Harris for the MacDonald Commission concluded that eliminating tariffs and other trade obstacles between Canada and the U.S. would increase Canada's real income, employment and trade.

° Harris's study uses a new computer model to interrelate the many variables involved in such analysis. Because of its importance, the Nova Scotia Department of Development commissioned a study by Foster Economics to apply that model to the Nova Scotia economy.* The results indicate that trade liberalization would bring overall benefits to Nova Scotia in terms of increased manufacturing shipments, gross domestic products, and employment in both manufacturing and non-manufacturing sectors.

° In both studies an important differentiation is made between the situation faced by firms which, because of their dominance in an industry (or because of the nature of the industry itself) are price <u>setters</u>, and the situation faced by firms which are price <u>takers</u>. The benefits of trade liberalization tend to be greater for those firms which are price setters and less for those which are price takers. Taking that into account, and even assuming for the sake of argument that all Nova Scotia firms are price takers, the

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*This information is available in Volume 1 of the Nova Scotia Background Studies Related to Canada-U.S. Free Trade Negotiations.

studies project net benefits to the provincial economy if trade with the U.S. is liberalized.

° However, a key term here is "net" benefit. The numbers are not suggesting that there will be no losers in this process; only that there will be more winners than losers.

° Our most vulnerable firms are in traditional industries which will be facing serious difficulties even if freer trade with the U.S. does not materialize.

° Finally, a 1986 study by Informetrica, using a different methodology altogether, comes to the same basic conclusion: over a five-year period, trade liberalization with the U.S. would bring a 2-4% net benefit to the Nova Scotia economy.

B.

ASSEMBLING PROVINCIAL TRADE IMPACT INFORMATION

Policy Development Section
Policy and Planning Division
March, 1986

In recent years, there has been a lot of research in Canada on trade patterns and the impact of freer trade.* There has to be, because it is a very complex and constantly-changing phenomenon; the patterns change a bit every time one country changes the rules a bit.

Our immediate problem in Nova Scotia is that most of the available research is focused on a national level; little has been done to show the impact of freer trade on a regional or provincial level. Furthermore, the raw data is meagre. Statistics Canada for example, can pin down exports, imports, and consumption of, say, business machines, in Canada; but they cannot provide the same data, with any degree of accuracy, for Nova Scotia.

The Department of Development set out in October, 1985, to gather some useful data on our provincial trade patterns, and on the probable impact on our economy of freer trade with the United States and other nations.

The information has been gathered in several ways:

1. Industry Trade Survey: 108 interviews were conducted with the managers and/or owners of firms operating in Nova Scotia, along with key people involved in business associations operating in the Province, to get their views on the pluses and minuses of freer trade. (See Appendix IV for the list of Firms/Associations contacted.) Those firms and associations are spread across the Province, representing all sectors of the economy

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* See "Free/Freer Trade", Appendix I

and both large and small businesses. They were very cooperative; much information was gathered on trade patterns, exports, use of imported goods and materials (inputs), problems they encounter in trading with other countries, how Canadian tariffs help or hinder them in developing domestic markets, etc. (A copy of the format of the interviews is attached as Appendix V.)

2. This information was cross-checked in three directions: With what people in our own department know of what is happening in the current scene; with what people in the line departments know of what is happening; and with material that is being sent to us on an ongoing basis from the federal government, covering 25 goods-producing sectors of the economy.[1]

3. Foster Economics Ltd. was commissioned to take the best existing econometric model of the impact of freer trade on Canada, and apply it to our provincial economy. The results were then supplemented with further data available to our Economic Analysis section, and from the 108 interviews. The resulting picture is, in effect, a fourth check on the validity of our basic information.

4. Finally, two other recent studies were also discussed in our review of econometric models: an assessment of the effects which freer trade would have on employment in Ontario's manufacturing industries, released by the Ontario Government in November, 1985; and a research paper dealing with the economic impact of freer trade on both Canada and the provinces published by Informetrica in January, 1986.

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[1] **Studies prepared on Canada - United States Trade: Economic and Social Profiles.**

Statistics & Research Section
Policy & Planning Division
April, 1986

BASIC EXPORT PATTERNS FOR NOVA SCOTIA

One goal of trade talks is to ensure and enhance our access to foreign markets, so that we have some place to sell our surplus goods and services.

How important this is to Nova Scotia depends upon how much we export -- and how much we might export in future years. Since our exports have been steadily growing for many years, secure access to foreign markets is very important.

Growth in Export Trade

From 1974 to 1984, the value of Nova Scotia's foreign exports, measured in constant 1974 dollars, has grown by 18.5% -- an average annual growth rate of 1.7%.*

During the same period, the average annual growth rate for Canada's foreign exports was 4.4%.

TABLE 1

VALUE OF EXPORTS
IN CURRENT AND CONSTANT (1974) DOLLARS

	Value ($000's)	
	Current $	Constant (1974) $
Nova Scotia		
1974	508,881	508,881
1979	942,176	597,070
1984	1,357,709	603,158 (+18.5%)
Canada		
1974	31,674,495	31,674,495
1979	64,317,301	40,758,766
1984	109,543,473	48,664,347 (+34.9%)

Source: Nova Scotia Department of Development
Estimates from Statistics Canada Laden Tabulations

*Part of the increase in the value of exports is due to inflation and its effect on prices. Measurement is constant collars eliminates the inflation factor.

UPDATE: DECEMBER, 1987

Growth in Export Trade

From 1976 to 1986, the value of Nova Scotia's foreign exports, measured in constant 1976 dollars, has grown by 124.7%.

During the same period, the value of Canada's foreign exports (also measured in constant 1976 dollars) grew by 98.2%.

TABLE 1A

VALUE OF EXPORTS

IN CURRENT AND CONSTANT (1976) DOLLARS

	Value ($'000)	
	Current	Constant (1976)
Nova Scotia		
1976	541,794	541,794
1984	1,357,709	838,610
1986	1,915,964	1,217,258 (+124.7%
Canada		
1976	37,328,545	37,328,545
1984	109,436,610	67,595,188
1986	116,477,184	74,000,752 (+98.2%)

Source: Nova Scotia Department of Development
Estimates from Statistics Canada Laden Tabulations

Current Major Export Sectors

Over three-quarters of the total value of Nova Scotia's export trade in 1984 occured in four sectors of our economy: **Fish Products, Rubber and Plastics, Pulp and Paper, and Mining.** (See Table 2). The total increase in export revenue from those four sectors in the years 1974 - 1984 was $826 million.

In the same period (1974 - 1984), declining markets for primary iron and steel, fuel oil, railway rolling stock, rails and railway track materials, paperboard and lumber resulted in a loss in export revenue in these sectors. At the same time, high volume sales in other sectors offset that decline, and the total increase in export revenue from all sectors was $849 millions.

TABLE 2

VALUE OF NOVA SCOTIA EXPORTS TO ALL DESTINATIONS

(millions current $)

Sector	1974	%	1982	%	1984	%
Fish Products, Rubber and Plastics, Pulp and Paper, Mining	297.3	58.2	953.9	79.3	1,122.9	82.7
Total all Sectors	508.9	100.0	1,202.8	100.0	1,357.7	100.0

These same four sectors which in 1984 accounted for 82.7% of Nova Scotia's total exports accounted in that year for an even greater percentage of the province's exports to the United States: (See Table 3)

TABLE 3

VALUE OF NOVA SCOTIA EXPORTS TO THE UNITED STATES

(millions current $)

Sector	1974	1982	%	1984	%
Fish Products, Rubber and Plastics, Pulp and Paper, Mining	N/A	662.5	85.5	882.7	90.7
Total all Sectors	N/A	774.5	100.0	973.3	100.0

Principal Export Markets

Although Nova Scotia firms exports to over a hundred countries, the bulk of the Province's foreign sales has been to about a dozen trading partners. (See Table 4). In 1984, the **United States** accounted for $973.3 million, or **71.7% of our exports,** with the New England and Mid-Atlantic States absorbing over three-quarters of those exports to the U.S.

The European Common Market is Nova Scotia's second largest export market, with sales amounting to $129.6 million in 1984, or 9.5% of total exports. **West Germany** and the **United Kingdom** account for over half of these sales. Exports of fish and wood pulp to **France** and **Italy** placed these member countries next in importance as European customers.

TABLE 4

PERCENTAGE DISTRIBUTION OF
NOVA SCOTIA EXPORTS BY DESTINATION

Destination	1974 %	1984 %
United States		
New England	22.7	22.6
Mid Atlantic	25.6	33.1
South Atlantic	8.6	10.1
Other U.S.	18.3	5.9
Total U.S.	**75.2**	**71.7***
European Common Market (except U.K.)	5.8	6.4
European Free Trade Association	1.0	3.0
West Indies and Bermuda	3.0	2.5
United Kingdom	4.8	3.1
Latin American Free Trade Association	3.7	2.2
Other Countries	6.5	11.1
Total all Countries	**100.0**	**100.0**
Total Value of Exports ($'000)	**508,881**	**1,357,709**

Source: Nova Scotia Department of Development
Estimates from Statistics Canada Laden Tabulations

*This decline is largely the result of the reduction in our exports of refined petroleum products. In 1974, exports of industrial oils and chemicals to the U.S. were valued at $58 millions. By 1976 they had declined to $15 millions, and remained at that level in 1984.

Over the last five years (1980-8 , significant sales have also been made to **Sweden, Portugal, Mexico, Brazil,** and **Japan,** ranking these countries amongst the Province's top ten foreign export markets. **Fish products, wood pulp, coal, and rails** were the principal commodities sold to these foreign destinations.

Update: DECEMBER, 1987

TABLE 4a

PERCENTAGE DISTRIBUTION OF

NOVA SCOTIA EXPORTS BY DESTINATION

Destination	**1976 %**	**1986 %**
United States		
New England	22.7	26.9
Mid Atlantic	18.2	13.1
South Atlantic	10.8	30.8
Other U.S.	16.9	6.5
Total U.S.	68.6	77.3
European Common Market (except U.K.)	9.0	6.8
European Free Trade Association	0.7	1.7
West Indies and Bermuda	5.3	0.5
United Kingdom	3.9	2.0
Latin American Free Trade Association	6.0	3.6
Other Countries	6.5	8.1
Total all Countries	**100.0**	**100.0**
Total Value of Exports ($'000)	**$ 541,794**	**$ 1,915,964**

Source: Nova Scotia Department of Development
Estimates from Statistics Canada Laden Tat lations

Regional Consumption

A side-point here is the percentage of total manufacturing production in Atlantic Canada which was sold within our own region in 1984.

Manufactured in	% Sold in the Same Region
Atlantic Canada	45.5%
Ontario & Quebec	49.3%
Prairies	64.0%
British Columbia	40.0%

EXPORT PROBLEMS

Protectionism

Nova Scotia's current export concentration on resource-based products (Fish Products, Pulp & Paper, and Mining sectors) has left it particularly vulnerable to **trade protectionist measures**, especially those initiated by the European Economic Community (EEC) and the United States.

Limitations on newsprint exports to Europe were introduced in 1983 and, despite a favourable verdict of a judicial panel under the General Agreement on Tariffs and Trade (GATT)*, Canada agreed to a settlement which gave it less than its historical quota of newsprint exports to the European community.

Until a settlement in other product areas was reached, Nova Scotia was also threatened with EEC retaliation through the introduction of tariffs on blueberries. Current EEC complaints regarding provincial liquor commission pricing practices may also threaten some local industries.

However, the greatest protectionist threat to our exports exists in the United States in the form of American countervail**, and safeguard*** actions. Most of these actions in recent years have been launched against resource-based industries, which makes us especially vulnerable. Steel, lumber, fish, potatoes, raspberries, salt cod, and live swine and port products are included in the most recent actions either already adjudicated or in process.

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* See "GATT", Appendix I
** See "Countervailing Duties", Appendix I
*** See "Safeguards", Appendix II

The potential injuries from these actions can take the form of direct injury to Nova Scotia exports (especially the originating industry), as well as **indirect** injuries when displacement/reduction of the export market of one province leads to their flooding the domestic market with a product, thus creating a serious threat to local Nova Scotia manufacturers and producers of those same products. (A good example of this "blacklash" phenomenon is in our lumber industry, to which the major threat at present is not a loss of Nova Scotia **export** markets, but the possible flooding of the **local** market by surplus lumber from other provinces if their U.S. exports are restricted.)

Other Problems

Generally speaking, Nova Scotia also has to cope with other broad problems facing all export-involved North American industries.

On the one hand, among the advanced national economies themselves, competition for export sales has become increasingly frenzied. The problems generated by the rapid pace of technological change and industrial adjustment are aggravated by instability in current exchange rates and all manner of export-related subsidy schemes. Canada is, of course, no exception.

On the other hand, with deflated currency, lower costs and the use of barter, new Third World producers are managing to erode the market share previously held by the producers in the advanced countries. Their impact is especially visible in the resource sectors (on which our own provincial economy heavily depends), and complicates their already cyclical nature. Many of those materials and primary-processed goods already flow to most countries duty free, and so tariff reductions will do little to alleviate our problem.

As a result, the general export climate becomes increasingly difficult and challenging.

Dealing With Our Export Vulnerability

Most of the current discussion on Canada-United States **bilateral** trade negotiations is centered around comprehensive trade liberalization, involving tariff reductions covering a wide range of products and the removal and/or disciplining of current non-tariff measures (NTMs)* and trade irritants.

Under the **multilateral** GATT framework, negotiations, beginning in 1986, will cover these main issues:

1. further tariff reductions;
2. improving the international rule of law, particularly with regard to non-tariff barriers, protection, agriculture, and international dispute settlement procedures; and
3. coverage of new areas such as trade in services, protection of intellectual property (copyrights) and trade in high technology.

In supporting progress on these fronts, the Canadian Government will be looking for improved market access for our agricultural and food products, fisheries, industrial resources (non-ferrous metals and forest products), energy-based (petrochemicals) industries and related equipment services, a range of advanced technology and transportation equipment, as well as trade in some services. These

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* See "Non-Tariff Measures" Appendix I

sectors are still facing important barriers or trade distorting measures in Canada's major markets: for example, tariffs (in some cases still relatively high), quantitative restrictions, restrictive government procurement practices or subsidies of various sorts.

Canada's bargaining position at the negotiating table may be somewhat awkward because our own tariffs are still relatively high. By January 1, 1987, the average of tariffs still in place will be:

U.S.A. -- 4% EEC, Japan -- 5 - 7% Canada -- 9 - 10%

One can expect some pressure from other countries to lower our tariffs, and our significant NTM's, in order to obtain reciprocity on those matters from other countries.

1985 NOVA SCOTIA INDUSTRY TRADE SURVEY: GENERAL FINDINGS

Section B of this book describes the Industry Survey conducted by staff of the Department of Development in late fall of 1985. Those interviews involved key people in almost every sector of our provincial economy, and covered a broad range of firms in manufacturing, resource processing and services.

Those many sectors are quite different from one another, with their own distinctive trade patterns, problems and opportunities. But there are unifying threads which emerged from our interviews with companies and associations working in those sectors. In some cases they directly related to trade, and in others they related more to the overall business climate. But they deserve attention because they are such an important context of our provincial trade; if they are left out of the picture, a true understanding of the patterns and dynamics of our export trade is very difficult.

We have called these unifying threads "cross sectoral issues", and will discuss them under **five headings; (1) general attitudes; (2) exchange rates; (3) non-tariff measures; (4) tariffs; and (5) other factors.**

1. General Attitudes Towards Freer Trade

Two thirds of the people we interviewed expressed positive support for bilateral freer trade with the U.S.A., with many advocates not only enthusiastic about its economic benefits but also adamant about its vital importance to Canada's future prosperity. Supporters saw advantages such as export growth, productivity gains, necessary structural adjustment, and a more outwardly-oriented, aggressive

private sector. In the absence of trade liberalization, there are predictions of economic stagnation and gradual loss of competitiveness.

About 15% of those we talked to were quite opposed to freer trade with the U.S.A. This group tended to be less expansive about the implications for Canada, articulating their concerns more in terms of the impact on their particular interests (such as their status as branch plants and/or less competitive producers).

The remainder (about 20%) were ambivalent, still weighing pros and cons. Several noted that as business people they supported freer trade with the U.S.A., but as Canadians they opposed it.

Also, a rather sizeable portion of those interviewed (10-15%) expressed fears about bilateral trade negotiations, not in terms of evils of freer trade per se, but **whether Canadian negotiators are tough enough to achieve a "good deal"** - or whether they will place sufficient emphasis on the needs of the Maritimes. As one put it, "Are our negotiators good enough to play hardball with the Yankees?"

2. Exchange Rates

Most companies identified exchange rates as a crucial factor in foreign marketing, because of its instant effects on price competitiveness, and many suggested that exchange rates are a much more important issue in U.S. trade than are tariffs.

Generally, advantageous exchange rates are the most important factor in determining price competitiveness (and often success) in both U.S. and European markets. Tariff levels tend to be much less significant than swings in exchange

rates. Many exporters would like to see the Canadian dollar in the 70¢ to 80¢ (U.S.) range or below. Rapid increases in the value of Canadian currency can have the effect of virtually wiping out a European market for certain products (e.g., fish) almost overnight.

3. Non-tariff Measures

Non-tariff measures (NTMs)*, especially countervailing duties and anti-dumping levies, are taking on an importance as great or greater than tariffs, especially with respect to trade with the U.S. Their use, or the threat of their use, has either precluded or hindered exports by various Nova Scotia manufacturers and primary producers, as well as firms in the service sector.

Many Nova Scotia companies can cite a number of American NTMs which have hindered their exports (or which are irritants requiring extra time and energy to overcome).

Of greatest significance for Nova Scotia exports to the U.S. is the threat and application of **countervailing duties**** for products which the U.S. Government judges to be unfairly subsidized, or causing or threaten to cause injury to U.S. enterprises. While resource products have in recent years been the main target, a notable countervail action involved Michelin in the 1970's. Presentation of the Canadian cases in American investigative and judicial proceedings has proved to be extremely costly (even though they have so far largely been effective).

Moreover, findings in favour of Canadian interests have not provided any assurance that these threats will not be repeated time after time, particularly

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*See 'Non-Tariff Measures', Appendix I

** See 'Countervailing Duties', Appendix I

as private sector pressure groups and U.S. politicians seek new precedents for what might be judged in such proceedings to be unfair subsidization and government intervention in support of exporters by the Canadian federal and/or provincial governments.

Perhaps the second most frequently mentioned NTM complaint respecting the U.S. related to **restrictive and discriminatory public sector procurement legislation and practices at both the federal and state levels.** The most well-known of these policies is the "Buy America" provision accompanying many federal and state contracts. Nova Scotia companies have either lost out on contracts, or been forced to locate plants in the U.S. to meet local content requirements and/or be perceived as a domestic source. Ottawa's assessment of the negative impact of these measures has generally centered on major product areas for which Canada has some recongized competitive advantages; e.g., telecommunications, urban mass transit equipment, cement. The survey of Nova Scotia firms reveals that procurement protectionism can also be damaging for a range of small producers and small product/service niches. (It should be noted here that Canada's federal and provincial governments do not have clean hands in this regard, and the Americans know it.)

Another infamous NTM involves **service personnel.** Exporters of specialized equipment and products, which require factory trained personnel for installation or service, find that the onus is being placed on them to demonstrate that no "appropriately trained/skilled" Americans are available to perform the necessary servicing -- something not easy to do in a nation of 250 million people. However, it can be very risky to a firm to leave installation and/or servicing to personnel who are not factory trained, and it can be very costly to bring Americans here to give them that training.

Another NTM which seems to negatively affect primary and secondary food producers, as well as manufacturers of health care items, is the U.S. Food and Drug Administration procedure with regard to the **approval of new products and granting of establishment licences.** These processes are considered unreasonably prolonged for non-U.S. producers wishing to sell in the U.S. and Caribbean (where Puerto Rico is a major transshipment point and applies FDA standards). Related to this is the occasional problem of undue time being taken to inspect perishable foodstuff at the border, or an occasional determination on the part of border officials to find "quality problems" with shipments of goods which they do not wish to see coming into the U.S.

4. Tariffs

Tariffs still play some role in inhibiting trade in some products in some sectors, and occasionally discourage value-added work on our natural resources.

Tariffs are not the dominant factor in trade flows that they once were. (By January 1, 1987, the average of tariffs imposed by the U.S. will be 4%, the EEC and Japan 5 - 7%, and Canada 9 - 10%).

However, there are still specific product areas where U.S. tariffs are an effective barrier. Historically, the level of tariffs has increased in relation to the level of processing and added value in resource products. This is one factor which has sometimes led Canadian firms to establish branch plants in the U.S. For example, fish products involving a high degree of processing (fish in batter, chowders, etc.) face relatively high U.S. tariffs (up to 15%), and this has led Nova Scotia firms to establish branch plants in American States.

At the same time, there are Canadian tariffs which still offer significant protection to some of our domestic manufactured goods. The industries so protected tend to fall under one or both of the following categories:

1. producers of low technology, mass produced goods where economies of scale and production/input costs determine competitiveness;
2. branch plants in the classic sense, originally set up merely to get under the tariff wall and to serve a defined geographic area in Canada.

The survey also revealed that the elimination or drastic reductions of **protective Canadian tariffs** would produce immediate negative results (i.e., closedowns or major workforce reductions) in only a few cases. For some others, there is the likely prospect of disinvestment or phasedown over the medium to long term. Some producers would act more as importers and distributors in order to continue as viable businesses. An important if not determining factor would be the time period over which protective measures are reduced and the adjustment measures introduced to ease the process.

We should reiterate here that the majority of business people we interviewed believe that at present it is not tariffs but exchange rates which are providing the most effective protection to Canadian producers in the domestic market.

Note also that even in those sectors appearing most sensitive to imports, there are examples of small businesses which have been innovative and successful, both in domestic and export markets.

In addition to the question of whether import tariffs are adequate and justified in protecting domestic producers, there is also the question of whether (1) certain Canadian tariffs are in fact hurting domestic producers and are merely a source of government revenue; (2) the Canadian **customs regime** is overly complicated, causing unnecessary confusion and paperwork for import transactions.

The most common complaint is that Canadian tariffs **unnecessarily raise our own production costs** because they are placed on:

1. various inputs* not produced in Canada;
2. machinery, equipment and other inputs which are produced in Canada, but are substandard or unusable for particular processes, or are not as easily accessible from the Maritimes as competitive products from New England or elsewhere.

Finally, there are cases where **imported components** are subject to greater duties than those on the imported finished product! In other words, if a firm wants to make a product here, and needs to use imports as components, they have to pay more duty on the parts than they would if they imported the entire finished product! This illogical situation serves to discourage final assembly in Canada, and so signficant value-added work is lost to the Province.

5. Other Factors Affecting Exports

Successful exporters are those with established market niches, and most of those are based on the quality and specialty of their product.

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*See 'Inputs', Appendix I

Vulnerable manufacturers tend to be those producing goods which are today marketed more like commodities, and are therefore more price sensitive.

Some companies report that they are hindered by interprovincial trade barriers, and also by the cost of "doing business in Canada".

Many companies export to the U.S. because of limited or slow growth in the domestic market, and/or because they like the higher profit margins which often come from exports (no Canadian federal sales tax is paid on exports), and/or because they feel that the U.S. is an open and familiar market. (Do not underestimate the benefits of cultural and language similarities insofar as this assists trade. The business person seeking export markets often begins is a country that does not seem "too different").

Interest and success in exporting frequently stems from establishing or expanding a successful position in the domestic market. This tends to mean:

a. persistent marketing efforts with quality and reliability being the image sought;

b. establishment of product niches that may be characterized by uniqueness, quality, price stability, lack of intrusion by major firms, and/or an ability to customize and adjust rapidly to market and customer requirement changes.

Our domestic Canadian market is not growing significantly in many product areas of interest to Nova Scotia producers. This could mean greater competition from other domestic producers or from imports, and that in turn could over time

threaten their existing market share. However, the survey revealed that a number of Nova Scotia companies depend significantly on local markets for sales do **not** fear import penetration and have a strong interest in a freer trade scenario.

While some number of firms (such as SYSCO and Hawker Siddeley) have benefited greatly from **preferential public sector procurement,** there appears to be a large number of firms which feel that **interprovincial trade barriers** are seriously curtailing their market and growth opportunities in the Canadian domestic market. Quebec is frequently cited as an impenetrable market from which advantaged Quebec companies are able to penetrate markets in the Atlantic Provinces. In some instances NTM's between provinces are cited as worse than foreign NTM's in the hindrance of sales growth.

Finally, **cost competitiveness** is a widespread concern; Nova Scotia is perceived by some as a high cost location for doing business due to such cost factors as energy, interest rates, wages, taxation (e.g. the N.S. machinery and equipment tax) and, in some cases, transportation.

However, note that the widespread belief that **wage rates** in Nova Scotia are out of line with those in the United States is, in many sectors, simply false. For example, the average manufacturing wages compares as follows:

Average manufacturing wage, May 1985

Nova Scotia	$10.09 (CDN)
U.S.A.	$13.19 (CDN) using May 13, 1985 exchange rate of 1.39

F.

SOME REFLECTIONS ON TRADE CONCEPTS

Policy Development Section
Policy & Planning Division
February, 1986

Many Nova Scotians have entrenched beliefs about how free trade works for or against an economy, especially in a relatively small economy like that of Canada. Some suspect that it works to the good; some suspect that it does not. A brief look at some aspects of modern trade history may shed some light on the matter, or at least raise some interesting questions.

First, there is a perception that trade economics is basically like a tug-of-war or football: the weaker team loses. Since Canada is clearly the weaker team in relation to the U.S., the suspicion is that Canada would lose. However, the past 30 years of economic history in Europe and Asia do not support that perception. The European Economic Community (EEC) has been engaged in freeing up trade among member and associated countries for three decades. The pattern has been that all nations involved show improvements in trade, GDP and employment; at the same time, the weaker ones show more improvement than the stronger. In short, historically, the weaker team wins. The history of New Zealand/Australian trade and of Austrian/German trade suggests the same conclusion: small jurisdictions benefit from more open trade with larger ones.

Second, there is a fear that when freer trade comes to a country, entire industries are decimated and simply vanish. This fear was especially strong in Europe before the last round of GATT talks. Germany, France, and Italy, all feared the loss of entire national industries to each other. Collectively, they feared unmanageable onslaughts from outside the EEC. But those fears proved unfounded. It simply didn't happen that France ended up producing all the wine, Germany all the cars, Italy all the fashion goods, and so on. Instead, each country's industries adjusted and specialized in particular products. No country's industries were decimated, nor was the EEC as a whole.

Third, there is a tendency for some people to think that business people "from away" are brighter and better able to adapt than one's own -- and so when it comes to do the adapting and adjusting that comes with freer trade, we are wrestling with one arm tied behind our back. However, careful examination of the various sectors of the

economy one at a time, and talking to producers and businesspeople, reveals that many Nova Scotia firms are shrewdly managed by competent and farsighted people. Some very extraordinary adjusting has already begun.

Fourth, there is a tendency to fail to differentiate sharply enough between the direct effects of freer trade on producers and manufacturers engaged in exporting (or producing items that face direct competition from imports) on the one hand, and the indirect effects of freer trade on the rest of the manufacturers (oriented to the local market), on the "service" sector of the economy and on consumers. These indirect effects consist of the lowering of prices for equipment and materials used as inputs to producing and manufacturing, for items used by nonmanufacturing industries and for consumer goods. Thus, while the direct effects of freer trade can be quite challenging for some (but not all) producers, the indirect effects tend to be quite stimulative for everyone else, and since Nova Scotia has a large service sector, these stimulative effects could be quite significant.

Finally, many fear that Canada's industrial sector will not be able to be internationally competitive. This is partially the result of a steady barrage of news about the troubles faced by various industries, including the so-called "smoke stack" industries. But these are in decline across North America, not just in Canada, and are becoming an increasingly smaller part of a modern economy, with or without freer trade. The fact that our own provincial economy is not so dependent as some upon those types of heavy industry is actually in our favour; the adjustment process we would have to go through would not be as severe as that faced by many other Canadian and American jurisdictions.

In order to understand the impact on the provincial economy of freer trade with other countries, a key concept is that of specialization or the **market niche.** A good example of a firm with a market niche is **Volvo.** They have a specialized product (an automobile regarded as one of the safest cars on the road), a very loyal clientele and as a result, a steady and reliable market. They have created a niche, and cultivate it with great skill. To see the Nova Scotia economy from a trade perspective, then, is to understand which firms have and which firms have not competitive niches now, which firms could capitalize on a more open trading environment and grow, which firms are in a position to defend their specializations and which are not.

Nova Scotia's successful firms appear to be those which have found or created a maket niche and can defend it. Many firms, large and small, do have niches: Volvo, Michelin, Bowater Mersey, Scott, Domtex, Britex, Polymer, Nautel Electronics, and Scotia Marine Products are examples. But firms, even with such niches, will be damaged if they get boxed in by the protectionist walls of other countries.

The parts of the economy that are negatively sensitive to free trade are those firms without strong competitive niches. This includes about 20% of our manufacturers and about 5% of our economy overall. However, "sensitive" does not mean "terminal." Some firms can and will adjust. Some will not. Meanwhile, the added strength of those firms that do have successful niches may well take up the slack and them some.

G.

TRADE POLICY AND
FOREIGN INVESTMENT IN CANADA

Policy Development Section
Policy & Planning Division
March, 1986

Consecutive Nova Scotia Governments are on record as opposing federal interference in the investment process in the form of legislation restricting and/or scrutinizing foreign investment.

Despite the replacement of the Foreign Investment Review Agency (FIRA) by the significantly liberalized Investment Canada, and despite the abandonment of the confiscatory 25% relinquishment provision in the National Energy Program (NEP), there is no doubt that U.S. negotiators will be asking for the **liquidation of unequal treatment given to domestic and foreign investors in Canada.**

The American complaint in the trade negotiations will be that "Investment Canada" legislation focuses consideration on **nationality** (rather than on "antitrust" considerations which are the traditional major American concerns) when evaluating foreign investments. Such considerations often lead to a situation in which the companies, in order to gain Canadian approval, are forced to "volunteer" special benefits to Canada in the form of favouring Canadian supply sources, export performance, R & D, etc. - which process conflicts, in their view, with the basic principles of free trade.

To support that suggestion regarding the goals of the U.S. negotiators, we can point to the recently concluded U.S./Israel free trade agreement. This did not result in the full elimination of NTM's, nor did it remove the possibility of countervailing duties, anti-dumping duties, etc., by the U.S. Nevertheless, it 'ates that **neither** country may impose, as a condition of foreign investment, requirements to export or to purchase locally produced goods and services. In other words, the new investor is guaranteed full freedom in this regard.

Since Nova Scotia has consistently opposed restrictions on foreign (especially U.S.) investment, we should have no problems with the American goals. In fact, insofar as their demands make foreign investment in Nova Scotia easier, it may be to our advantage - because **our** objectives in the trade negotiations (better access to the huge U.S. market, rationalization of our manufacturing/processing base, improvement of productivity, etc.) can be achieved only if **new** investment takes place in our province.

The experience of the EEC is very revealing in this regard. The establishment of the EEC **spurred significant direct investment from outside** the EEC (American, Japanese, etc.) in the economy of Western Europe. The experience of the international economy and existing free trade areas also suggests that trade and investment expand together. (Some researchers have noted that the most "aggressive" investors were companies from the smaller countries involved in free trade areas.)

There is a fairly widespread view that a free trade arrangement would lead many U.S. multinational enterprises (MNE's) to phase out a major part (or even all) of their Canadian operations, and attempt to serve Canadian markets from their more efficient U.S. plants. This view is based on the assumption that many U.S. MNE's originally located in Canada primarily to avoid tariffs or non-tariff barriers.

If this phasing out of branch operations were to occur, it has to be noted that it would happen in **both** directions, that is, by U.S. firms in Canada and by Canadian firms in the U.S. By the end of 1983, according to Statistics Canada, the foreign-controlled stock of capital in Canada amounted to $73 billion and the Canadian-controlled stock of capital abroad (mostly in the U.S.) amounted to $39 billion! This opens the possibility that some U.S. branch plants might be phased out by their Canadian owners, with new investment in their Canadian operations to expand and serve all North America from Canada.

In contrast to the above view that MNE's go abroad primarily to avoid tariffs, there is a widely-accepted alternative theory of MNE activity which suggests that firms go abroad through subsidiaries, rather than through exports, because in that way they can **most profitably exploit assets**. Very often the decision to locate a subsidiary in another country is more affected by such factors as labour, transportation, land costs, exchange rates, etc., than by trade barriers.

In this context, it is important to remember that the major studies (Wynnacott, 1985; Economic Council of Canada, 1975; Harris and Cox, 1983; etc.) point to Canada as a genuinely competitive source of a wide range of manufactured goods, once possibilities for specialization and economies of scale are developed.

Still another investment factor might come into play. If there were a reduction of investments by both countries in each other's territory, that tends to leave facilities available at bargain prices, and sometimes even the firms themselves are available for purchase (as is happening in the U.S. now as many larger conglomerates "streamline"

selling off some of their subsidiaries). This could then lead to additional investment in both countries from third-party countries. (Such partial replacement of U.S. investment in Canada by investors from other countries would be considered by many to be a positive development.)

There is another reason why an increase of trading freedom between Canada and the U.S. might be accompanied by an increase in investment from third countries, especially Europe and the Far East. This begins to reveal itself in the recent interest by companies like Litton, Pratt and Whitney, Thyssen, etc., in locating new, sophisticated plants with world-mandate objectives in Nova Scotia. Those companies are looking for locations providing the most beneficial conditions to derive the highest possible rates of return, and at the same time locations providing political stability, security, and access to major export markets.

In a freer trade environment, then, one can expect some rationalization by U.S. manufacturing firms already in Canada, so as to take advantage of the larger and secure U.S. market. At the same time, one can expect a gearing up by Canadian-owned firms for similar rationalization and expanded domestic investment, especially in primary resource processing, and one can expect expanded third-country investment in the enlarged Canadian - U.S. market. Taking all this into account, one can believe that there would be an increase of investment in Canada as a result of freer trade with the United States.

Statistics & Research Section
Economic Analysis Section
Policy & Planning Division
April 1986

IMPORTANT TRADE NUMBERS FOR NOVA SCOTIA

1) What are the Important Numbers?

From the broad range of statistics available about Nova Scotia's business and economic activity, several important sets of numbers have been selected for presentation in this book (Table 5). They serve to show several key factors for each of 45 sectors and sub-sectors of our provincial economy:

- The gross domestic product (GDP) generated by each sector;
- What % that is of Nova Scotia's total GDP;
- Employment in each sector;
- What % that is of Nova Scotia's total employment;
- Total exports for each sector;
- Exports to the U.S. for each sector;
- What % each is of Nova Scotia's total exports;
- Shipments in each sector; and
- What % exports are of the shipments in each sector.

These factors, looked at collectively, make it possible to understand the relative importance of each of the sectors and sub-sectors in the trading activity of the Province.

2) Why we use 1982 Numbers?

To make this table, several sets of data have to be brought together (production, exports, employment levels), and 1982 is the most recent year for which they are all available.*

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*In late 1987, an update of this table was prepared using more recent figures. See Section I.

1982 is a good year to use for another reason: it was a recession year, and so the figures tend to be on the conservative side. If anything, the current numbers are **stronger** rather than weaker.

The goal here is not to provide the most up-to-date figures for each specific item. Instead, the goal is to provide an **accurate blueprint** of the economy as a whole -- from a trade point of view. (Like a helicopter view of the forest!) **How do the pieces relate to one another?**

In this context, what is critical is the **interrelationship** of the parts -- how the numbers in one sector relate to those in another (larger, smaller, etc.). **The interrelationships existing in 1982 have not significantly changed** -- they do not change significantly in a four or five year period except in extraordinary circumstances.

- In the few cases where there have been significant changes, they have been incorporated (e.g., the disappearance of the heavy water plants in Cape Breton...)

Even though the general relationships of the sectors and subsectors remain stable, the provincial economy as a whole does grow. For example, employment in 1982 was about 325,000; today in 1986 it is about 353,000.

- So, again, the numbers in this material are conservative. Most sectors have grown; a few have shrunk; the economy as a whole has grown.

3) Technical Terms Used In Tables 5 and 6

GDP (Gross Domestic Product):

The value added* in this sector in Nova Scotia, or put it another way, the value of our production in this sector minus the value of the materials used to produce it. Thus GDP indicates the **direct contribution** which this sector makes to the provincial economy. For example, Nova Scotia shipments in sector #18 (Petroleum and coal products: refining), are more than twice as large as those in any other sector. The gasoline and oil products produced here are quite valuable. But that sector represents less than one percent of Nova Scotia's GDP, because there is only a modest amount of value-added to the expensive, imported crude used to produce those gasoline and oil products.

% of N.S. GDP:

This shows what percent the GDP in this sector was of Nova Scotia's total GDP in 1982.

Employment:

Estimated **average annual employment** in this sector in Nova Scotia during 1982, in terms of full-time jobs or equivalents (monthly and seasonal changes during the year are averaged out).

% of N.S. Employment:

This shows what percent the average annual employment in this sector is of the total average annual employment in Nova Scotia in 1982.

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*See "Value-Added", Appendix I

Shipments:

The value of the total production in this sector in Nova Scotia in 1982.

The term "shipments" is usually used only in the manufacturing sectors. In the primary sectors (21 to 24) it carries other names; e.g., "farm cash receipts" in Agriculture, "value of landings" in Fishing, etc. In the service sectors (25 to 29) this information is not available.

Total Exports:

The value of Nova Scotia's exports to foreign destinations in this sector in 1982.

Note: these figures **do not** include goods shipped to other Canadian provinces because the data does not exist. In some sectors it would be substantial, e.g., Sector 6 - Knitting Mills (Stanfield, Windsor Wear, etc.)

Exports As % of Shipments:

This shows what percent the exports of this sector were of Nova Scotia's 1982 shipments in this sector.

Exports To The U.S.A.:

The value of Nova Scotia's exports to the U.S. in this sector in 1982.

Exports To The U.S.A. As A % of Shipments:

This shows what percent the exports to the U.S. in this sector were of Nova Scotia's 1982 shipments in this sector.

Exports to the U.S. as a % of N.S. Total Exports:

This shows what percent the exports to the U.S. in this sector were of Nova Scotia's total exports in 1982.

SIC #:

(SIC): Standard Industrial Classification. This is a three-digit classification system used to differentiate various types of business activity from one another. In this book, we are using 29 basic sectors, with 16 sub-sectors. In Appendix III there is a list of the types of activity classified in each sector and sub-sector covered.

EXPLANATION OF SECTOR NUMBERS USED IN TABLES 5 AND 6

SIC #	SECTOR #	NAME OF SECTOR
		MANUFACTURING
101-109	1.	Food and Beverages:
102		A. Fish products
101		B. Meat and Poultry products
103		C. Fruits and Vegetable products
104		D. Dairy products
109		E. Beverages: Alcoholic and Non-Alcoholic
105-108		F. Other Food products
151-153	2.	(Tobacco -- Not Applicable in Nova Scotia)
162-165	3.	Rubber and Plastics
172-179	4.	(Leather products -- Not Applicable in Nova Scotia)
181-189	5.	Textiles
231-239	6.	Knitting Mills
243-249	7.	Clothing
251-259	8.	Wood (Lumber)
261-269	9.	Furniture and Fixtures
271-274	10.	Paper and Allied Industries:
271		A. Pulp and Paper
273-274		B. Paper box : Other Packaging products
286-289	11.	Printing and Allied Trades
291-298	12.	Primary Metals (Steel)
301-309	13.	Metal Fabricating
311-318	14.	Machinery
321-329	15.	Transportation Equipment:
321-323		A. Aircraft and Automobiles
326		B. Railway Rolling Stock
327-328		C. Shipbuilding and Repair
331-339	16.	Electrical products (including Communication Equipment)
351-359	17.	Non-Metallic Mineral products
365-369	18.	Petroleum and Coal products (Refining)
374-379	19.	Chemicals and Chemical products
391-399	20.	Other Miscellaneous Manufacturing products
		NON-MANUFACTURING: PRIMARY RESOURCES SECTORS
001-019	21.	Agriculture (Farming)
031-039	22.	Forestry (Logging)
041-047	23.	Fishing and Trapping
051-099	24.	Mining and Petroleum Exploration
		NON-MANUFACTURING: SERVICE SECTORS
402-421	25.	Construction
501-527	26.	Transportation
543-548	27.	Communication
572-579	28.	Electric, Gas and Water Utilities
602-991	29.	Miscellaneous Trade and Services
602-699		A. Wholesale and Retail Trade
701-737		B. Consulting and Business Services (including Finance, Insurance and Real Estate)
801-828		C. Health and Education (and other Provincial Government Services)
881-886		D. Hospitality Industry
841-849		E. Other (DND, Government of Canada, Amusement, Advertising, etc.)
891-991		

TABLE 5: SUMMARY OF THE NOVA SCOTIA ECONOMY BY SECTOR -- 1982

SECTOR #	GDP (million$)	% of N.S. GDP	EMPLOYMENT (000s)	% of N.S. EMPLOYMENT	SHIPMENTS (million$)	TOTAL EXPORTS (million$)	% of N.S. TOTAL EXPORTS	EXPORTS as % of SHIPMENTS	EXPORTS to U.S. (million$)	EXPORTS to U.S. as % of SHIPMENTS	EXPORTS to U.S. as % of N.S. EXPORTS to U.S.
1.	337.2	4.34	11,850	3.65	969.9	458.9	38.2	47.4	281.4	29.0	36.3
A.	181.9	2.30	6,700	2.06	431.5	410.9	34.2	95.3 (a)	277.1	64.2	35.8
B.	6.0	0.08	525	0.16	70.3	1.5	0.1	2.1	-	-	-
C.	7.8	0.10	525	0.16	80.8	22.9	1.9	28.3	4.1	5.1	0.5
D.	36.3	0.46	1,300	0.40	150.8	4.0	0.3	2.7	-	-	-
E.	42.4	0.55	760	0.23	73.4	-	-	-	-	-	-
F.	64.8	0.83	2,040	0.63	163.1	19.6	1.6	12.0	0.1	0.01	0.01
3.	x	x	4,670	1.44	x	x	x	x	x	x	x
5.	40.1	0.52	1,160	0.36	81.4	6.7	0.6	8.2	3.4	4.2	0.4
6.	15.0	0.19	1,150	0.35	40.5	0.4	0.03	1.0	0.1	0.2	0.01
7.	3.1	0.04	170	0.05	6.1	0.9	0.1	14.7	0.6	9.8	0.07
8.	28.7	0.37	1,630	0.50	78.7	11.4	0.9	14.4	0.4	0.5	0.05
9.	5.3	0.07	250	0.08	10.9	0.9	0.1	8.2	0.1	0.9	0.01
10.	143.4	1.85	3,250	1.00	344.5	254.3	21.1	73.8	179.2	52.0	23.1
A.	124.2	1.60	2,600	0.80	288.6	254.3	21.1	88.1	179.2	62.1	23.1
B.	19.2	0.25	650	0.20	55.9	-	-	-	-	-	-
11.	46.0	0.59	1,600	0.49	79.5	0.6	0.05	0.8	0.3	0.2	0.04
12.	x	x	1,500	0.46	x	x	x	x	x	x	x
13.	45.2	0.58	1,400	0.43	94.2	5.5	0.5	5.8	2.8	3.0	0.4
14.	6.1	0.08	400	0.12	12.3	8.1	0.7	65.8	3.1	25.2	0.4
15.	x	x	2,850	0.88	x	x	x	x	x	x	x
A.	18.0	0.23	875	0.27	108.8	29.2	2.4	26.8	27.0	24.8	3.5
B.	x	x	450	0.14	x	x	x	x	x	x	x
C.	34.7	0.45	1,525	0.47	69.5	2.0	0.2	2.9	1.6	2.3	0.2
16.	15.2	0.20	1,000	0.31	21.2	6.1	0.5	28.8	3.1	14.6	0.4
17.	25.5	0.33	750	0.23	62.5	7.4	0.6	11.8	7.2	11.5	0.9
18.	x	x	500	0.15	x	x	x	x	x	x	x
19. (b)	9.0	0.12	400	0.12	40.0	12.6	1.0	31.5	0.9	2.3	0.1
20.	6.6	0.08	350	0.11	14.7	2.7	0.2	18.4	0.9	6.1	0.1
21.	124.2	1.60	6,000 (r)	1.85	233.0 (c)	6.1	0.5	2.6	4.3	1.8	0.6
22.	29.5	0.38	3,000 (s)	0.92	86.5 (d)	8.7	0.7	N/A	5.9	N/A	0.8
23.	180.3	2.32	8,000 (t)	2.46	259.0 (e)	27.9	2.3	10.7	22.2	8.6	2.9
24.	141.2	1.82	6,000	1.85	281.0 (f)	106.1	8.8	37.7	28.0	10.0	3.6
25.	438.1	5.64	18,000	5.54	N/A (v)	N/A					
26.	448.0	5.77	14,000	4.31	N/A	N/A					
27.	272.0	3.50	8,000	2.46	N/A	N/A					
28.	235.5	3.03	3,000	0.92	N/A	N/A					
29.	4,891.7	62.96	217,000 (u)	66.77	N/A	N/A					
A.	838.0	10.80	57,000	17.54	N/A	N/A					
B.	787.0	10.10	22,000	6.77	N/A	N/A					
C.	1,666.5	21.50	±61,000	±18.76	N/A	N/A					
D.	192.6	2.48	16,000	4.92	N/A	N/A					
E.	1,407.6	18.10	±61,000	±18.76	N/A	N/A					
(3,12,15B,18)g	207.0	2.66	7,150	2.20	1,455.3 (w)	264.3	22.0	18.2	210.9	14.5	27.2
Total of 29	7769.0 (h)	99.72 (i)	325,000 (j)	100.00 (k)	3,490.0 (l)	1202.8 (m)	98.8 (n)	34.5	774.5 (o)	22.2	100.0 (q)

(-) = nil

(x) = confidential; See Note (g)

N/A = not applicable

All notes on following pages

TABLE 5

SOURCES: Derived from Statistics Canada, Conference Board of Canada, Nova Scotia Directory of Manufacturers, Nova Scotia Export Quarterly.

FOOTNOTES

a. Although both the exports and shipments figures for sector 1-A have been checked, we know that something is awry here because industry estimates put our exports at about 80% of plant production. What is probably happening is that some product from P.E.I. and Newfoundland is being exported by Nova Scotia based companies, and thus showing up in Canadian export figures as a Nova Scotia product. Also, some fish sold is not handled by processing plants, and does not show up in the shipments figure.

b. Excludes GDP, employment, shipments and exports associated with AECL in Cape Breton.

c. Logging Shipments.

d. Value of landings (not shipments).

f. Value of mineral production (not shipments).

g. This line is a composite of four manufacturing sectors: 3, 12, 15B and 18. Statistics Canada data in those sectors is classified confidential, and cannot be published except in composite form. This is further explained in section J of this book.

h. Includes $22.4 millions not specified in the sectors.

i. 0.28% is lost in rounding.

j. This total is the sum of the average annual civilian employment data from the Statistics Canada Labour Force Survey (71-001), plus an estimated 13,000 military personnel.

k. Sum does not equal 100.0% due to rounding.

l. Manufacturing shipments (sectors 1-20) only.

m. Includes $13.2 millions not specified in the sectors. (Note: Merchandise Exports only).

n. Column figures sum to 98.8% due to (m) above.

o. Includes $19.7 millions not specified in the sectors.

p. Nil.

q. Column figures sum to 97.4% due to (o) above.

r. Sector 21 - Agriculture (Farming)

Note: It is common in government to speak of an "Agricultural" sector, and to use that term to include **four** of the sectors covered in this chart: 1-B - Meat and Poultry Products, 1-C - Fruits and Vegetable Products, 1-D Dairy Products, and this one, 21 - Agriculture (Farming). In that context, the numbers usually given for the value of shipments and employment are much larger than those noted above; e.g., for 1984, $495 million and 13,000 people. But those numbers are broken down into four parts in this context to account for primary production on the one hand, and various kinds of food processing on the other.

When the agricultural products are processed into foodstuffs, additional value is added: e.g., pasteurized milk, cheese, dressed meat and poultry, frozen vegetables and berries, etc. (There is also a third level of value-added with which the consumer has to deal, and that is the value-added in the distribution system which takes the processed foodstuffs to the store shelf.)

s. Sector 22 - Forestry (Logging)

Note: It is common in government to speak of a "Forestry" sector, and to use that term to include **three** of the sectors covered in this chart: 8 - Wood (Lumber), 15 - Paper and Allied Products, and this one, 22 - Forestry (Logging). In that context, the numbers usually given for the value of shipments and employment are much larger than those noted above; e.g., for 1984, $564 million and 8,000 people. But those numbers are broken down into three parts in this text, and the result is that logging by itself is shown as a sector in which the numbers are much more modest.

t. Sector 23 - Fishing and Trapping

Note: It is common in government to speak of a "Fisheries" sector, and to use that term to include two of the sectors covered in this chart: 1-A - Fish Products, and this one, 23 - Fishing. This is because the fishery, in that broader sense of the work, includes both the processing and the harvesting of the catch. In that context, the numbers usually given for the value of shipments and employment are larger than those noted above: e.g., for 1984, $460 million and 15,000 people. But those numbers are broken down into two parts in this chart, because in a trade context those two aspects have to be differentiated. This is because of the different roles played in our economy by the harvesting itself (Fishing) which is a primary sector activity, and by the processing (Fish Products) which is considered to be a form of manufacturing.

u. See Tables 5A - 5E for more detailed breakdowns of this sector.

v. In the service sectors, "shipments" is not a relevant concept; what is measured is GDP.

w. The grouping of data from these four sectors produces one major distortion: the large size of the figure for **shipments** relative to other factors (GDP, exports, etc.). This distortion is caused by Sector 18, (Petroleum and Coal Products (Refining)) which traditionally, because of very high capital and materials costs, sees an unusual "shipments:GDP" ratio of nearly 20 to 1, and which in Nova Scotia, given the regionally-oriented structure of our industry, has a "shipments:exports' ratio of nearly 20 to 1.

TABLE 5A

SECTOR 29-A - WHOLESALE & RETAIL TRADE, 1982 (SIC 602-699)

GDP (millions $)		838	% of N.S. GDP	10.8
EXPORTS (millions $)		N/A		
				% of N.S. Employment
EMPLOYMENT	**Total:**	57,000		17.5
EMPLOYMENT BY SUBSECTOR				% of Sector
Wholesale Trade			**Total:** 15,000	26.3
Retail Trade				
General merchandise - Sears, Simpsons, Zellers, K-Mart, Woolco, etc.			10,000	17.6
Food stores - Sobeys, IGA, Save Easy, Capitol, etc.			9,000	15.8
Motor vehicle dealers			3,600	6.3
Service stations			3,100	5.4
Drug stores - Shoppers Drug Mart, Lawtons, etc.			2,200	3.9
Motor vehicle repairs			2,100	3.7
Household furnishings and appliance stores			1,600	2.8
Women's clothing stores			1,200	2.1
Other retail stores			9,200	16.1
			57,000	100.0

TABLE 5B

SECTOR 29-B - **CONSULTING & BUSINESS SERVICES, 1982 (Including Finance, Insurance & Real Estate)** (SIC 701-737/ 851-879)

GDP (millions $)		787	% of N.S. GDP	10.1
EXPORTS (millions $)		N/A		
				% of N.S. Employment
EMPLOYMENT	**Total:**	22,000		6.77
EMPLOYMENT BY SUBSECTOR				% of Sector
Finance, Insurance & Real Estate Companies	**Total:**	12,000		54.5
Banks & deposit accepting establishments		6,100		27.6
Insurance & real estate agencies		2,000		9.1
Insurance carriers		1,800		8.2
Real estate operators		1,200		5.5
Other credit agencies		900		4.1
		12,000		54.5
Services to Business Management	**Total:**	7,000		31.8
Engineering & scientific services		1,700		7.7
Lawyers		1,600		7.3
Accountants		1,050		4.8
Security & investigation services		750		3.4
Computer services		250		1.1
Other		1,650		7.5
		7,000		31.8
Personal Services	**Total:**	3,000		13.7
		22,000		100.0

TABLE 5C

SECTOR 29-C - HEALTH & EDUCATION, 1982 (SIC 801-828)
(and other Provincial Government Services)

GDP (millions $)	1,666.5*	% of N.S. GDP	21.5
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT	Total: ± 61,000		± 18.7
EMPLOYMENT BY SUBSECTOR			% of Sector
Education and Related Services	**Total:**	28,000	46.0
Elementary and secondary schools		17,600	28.9
Universities and colleges		5,500	9.0
Libraries, museums, etc.		1,200	2.0
Vocational, trades and business college		750	1.2
Post-secondary, non-university		400	0.7
Kindergarten and nursery schools		300	0.5
Other		2,250	3.7
		28,000	46.0
Health and Welfare Services	**Total:**	33,000	54.0
Hospitals		17,800	29.2
Welfare organizations		4,300	7.0
Related health care institutions		3,500	5.7
Physicians and surgeons offices		2,500	4.1
Dentists offices		1,200	2.0
Diagnostic and therapeutic services		450	0.7
Other		3,250	5.3
		33,000	54.0
		61,000	100.0

*Breakdown	GDP (millions $)
Education & Related Services	679.7
Health & Welfare Services	565.5
Provincial Administration	279.1
Local Administration	142.2
	1,666.5

TABLE 5D

SECTOR 29-D - HOSPITALITY INDUSTRY , 1982 (SIC 881-886)

GDP (millions $)	192.6	% of N.S. GDP	2.48
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT	16,000		4.9
EMPLOYMENT BY SUBSECTOR			% of Sector
Restaurants, caterers and taverns		11,400	71.3
Hotels and motels		4,200	26.3
Other food and accommodation services		400	2.4
		16,000	100.0

TABLE 5E

SECTOR 29-E - **OTHER SERVICES, 1982** (SIC 841-849/ 891-991)
(DND; Federal, Provincial, and Local Government Administration; Amusement; Advertising, etc.)

GDP (millions $)	1,407.6	**% of N.S. GDP**	18.1
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT	**Total:** ± 61,000		± 18.7
EMPLOYMENT BY SUBSECTOR			% of Sector
Defence services		18,500	30.3
Federal government administration		9,800	16.1
Provincial government administration		8,200	13.4
Local government administration		5,700	9.3
Miscellaneous community, business and personal services		7,000	11.5
Amusement and recreation services		4,000	6.6
Other		7,800	12.8
		61,000	100.0

IMPORTANT TRADE NUMBERS FOR NOVA SCOTIA

(UPDATE: DECEMBER 1987)

Statistics and Research Section
Economic Analysis Section
Policy and Planning Division
N.S. Dept. of Industry, Trade and Technology

1. **(UPDATE DECEMBER 1987)**

Statistics & Research Section
Economic Analysis Section
Policy and Planning Division

IMPORTANT TRADE NUMBERS FOR NOVA SCOTIA

1) What are the Important Numbers?

From the broad range of statistics available about Nova Scotia's business and economic activity, several important sets of numbers have been selected for presentation in this book (Table 6). They serve to show several key factors for each of 45 sectors and sub-sector of our provincial economy:

- The gross domestic product (GDP) generated by each sector;
- What % that is of Nova Scotia's total GDP;
- Employment in each sector;
- What % that is of Nova Scotia's total employment;
- Total exports for each sector;
- Exports to the U.S. for each sector;
- What % each is of Nova Scotia's total exports;
- Shipments in each sector; and
- What % exports are of the shipments in each sector.

These factors, looked at collectively, make it possible to understand the relative importance of each of the sectors and sub-sectors in the trading activity of the Province.

2) Numbers Available for this Update

For this update of Table 5 (which used 1982 figures), we have brought together employment figures for 1987, and data on GDP, shipments and exports for 1984 (the most recent year for which they are all available.)

3) Technical Terms Used In Tables 5 and 6

GDP (Gross Domestic Product):

The value added* in this sector in Nova Scotia, or put it another way, the value of our production in this sector minus the value of the materials used to produce it. Thus GDP indicates the **direct contribution** which this sector makes to the provincial economy. For example, Nova Scotia shipments in sector #18 (Petroleum and coal products: refining), are more than twice as large as those in any other sector. The gasoline and oil products produced here are quite valuable. But that sector represents less than one percent of Nova Scotia's GDP, because there is only a modest amount of value-added to the expensive, imported crude used to produce those gasoline and oil products.

% of N.S. GDP:

This shows what percent the GDP in this sector was of Nova Scotia's total GDP in 1982.

Employment:

Estimated **average annual employment** in this sector in Nova Scotia during 1982, in terms of full-time jobs or equivalents (monthly and seasonal changes during the year are averaged out).

% of N.S. Employment:

This shows what percent the average annual employment in this sector is of the total average annual employment in Nova Scotia in 1982.

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*See "Value-Added", Appendix I

Shipments:

The value of the total production in this sector in Nova Scotia in 1982.

The term "shipments" is usually used only in the manufacturing sectors. In the primary sectors (21 to 24) it carries other names; e.g., "farm cash receipts" in Agriculture, "value of landings" in Fishing, etc. In the service sectors (25 to 29) this information is not available.

Total Exports:

The value of Nova Scotia's exports to foreign destinations in this sector in 1982.

Note: these figures **do not** include goods shipped to other Canadian provinces because the data does not exist. In some sectors it would be substantial, e.g., Sector 6 - Knitting Mills (Stanfield, Windsor Wear, etc.)

Exports As % of Shipments:

This shows what percent the exports of this sector were of Nova Scotia's 1982 shipments in this sector.

Exports To The U.S.A.:

The value of Nova Scotia's exports to the U.S. in this sector in 1982.

Exports To The U.S.A. As A % of Shipments:

This shows what percent the exports to the U.S. in this sector were of Nova Scotia's 1982 shipments in this sector.

Exports to the U.S. as a % of N.S. Total Exports:

This shows what percent the exports to the U.S. in this sector were of Nova Scotia's total exports in 1982.

SIC #:

(SIC): Standard Industrial Classification. This is a three-digit classification system used to differentiate various types of business activity from one another. In this book, we are using 29 basic sectors, with 16 sub-sectors. In Appendix III there is a list of the types of activity classified in each sector and sub-sector covered.

EXPLANATION OF SECTOR NUMBERS USED IN TABLES 5 AND 6

SIC #	SECTOR #	NAME OF SECTOR
		MANUFACTURING
101-109	1.	Food and Beverages:
102		A. Fish products
101		B. Meat and Poultry products
103		C. Fruits and Vegetable products
104		D. Dairy products
109		E. Beverages: Alcoholic and Non-Alcoholic
105-108		F. Other Food products
151-153	2.	(Tobacco -- Not Applicable in Nova Scotia)
162-165	3.	Rubber and Plastics
172-179	4.	(Leather products -- Not Applicable in Nova Scotia)
181-189	5.	Textiles
231-239	6.	Knitting Mills
243-249	7.	Clothing
251-259	8.	Wood (Lumber)
261-269	9.	Furniture and Fixtures
271-274	10.	Paper and Allied Industries:
271		A. Pulp and Paper
273-274		B. Paper box and Other Packaging products
286-289	11.	Printing and Allied Trades
291-298	12.	Primary Metals (Steel)
301-309	13.	Metal Fabricating
311-318	14.	Machinery
321-329	15.	Transportation Equipment:
321-323		A. Aircraft and Automobiles
326		B. Railway Rolling Stock
327-328		C. Shipbuilding and Repair
331-339	16.	Electrical products (Including Communication Equipment)
351-359	17.	Non-Metallic Mineral products
365-369	18.	Petroleum and Coal products (Refining)
374-379	19.	Chemicals and Chemical products
391-399	20.	Other Miscellaneous Manufacturing products
		NON-MANUFACTURING: PRIMARY RESOURCES SECTORS
001-019	21.	Agriculture (Farming)
031-039	22.	Forestry (Logging)
041-047	23.	Fishing and Trapping
051-099	24.	Mining and Petroleum Exploration
		NON-MANUFACTURING: SERVICE SECTORS
402-421	25.	Construction
501-527	26.	Transportation
543-548	27.	Communication
572-579	28.	Electric, Gas and Water Utilities
602-991	29.	Miscellaneous Trade and Services
602-699		A. Wholesale and Retail Trade
701-737		B. Consulting and Business Services (including Finance, Insurance and Real Estate)
801-828		C. Health and Education (and other Provincial Government Services)
881-886		D. Hospitality Industry
841-849		E. Other (DND, Government of Canada,
891-991		Amusement, Advertising, etc.)

TABLE 6: SUMMARY OF THE NOVA SCOTIA ECONOMY BY SECTOR 1984/87

SECTOR #	GDP (millions$) 1984	% of N.S. GDP	EMPLOYMENT (000s) 1987	% of N.S. EMPLOYMENT	SHIPMENTS (million$) 1984	TOTAL EXPORTS (million$) 1984	% of N.S. TOTAL EXPORTS	EXPORTS as % of SHIPMENTS	EXPORTS to U.S. (million$) 1984	EXPORTS to U.S. as % of SHIPMENTS	EXPORTS to U.S. as % of N.S. EXPORTS to U.S.
1.	410.8	4.24	14,700	4.01	1539.7	406.9	29.97	26.36	270.3	17.56	27.77
A.	192.5	1.99	9,250	2.52	775.3	368.5	27.14	47.53	265.9	34.30	27.32
B.	11.0 (e)	0.11	715	0.19	93.0 (e)	1.2	0.09	1.29	-	-	-
C.	22.5 (e)	0.23	1,260	0.34	70.0 (e)	12.3	0.91	17.57	2.8	4.00	0.29
D.	49.1	0.51	1,070	0.29	188.9	2.5	0.18	1.32	-	-	-
E.	45.0 (e)	0.46	825	0.22	125.0 (e)	1.0	0.07	0.80	1.0	0.80	0.10
F.	90.7	0.94	1,580	0.43	287.5	21.4	1.58	7.44	0.6	0.21	0.06
3.	x	x	5,100	1.38	x	x	x	x	x	x	x
5.	32.1	0.33	735	0.20	60.0	1.8	0.13	3.00	0.4	0.66	0.04
6.	28.0 (e)	0.29	820	0.22	52.0 (e)	1.3	0.10	2.50	0.6	1.15	0.06
7.	25.1	0.26	1,760	0.47	42.8	1.7	0.13	3.97	1.2	2.80	0.12
8.	55.5	0.57	3,310	0.90	129.7	14.0	1.03	10.79	1.2	0.93	0.12
9.	7.6	0.08	430	0.11	15.9	1.0	0.07	6.29	0.1	0.63	0.01
10.	211.4	2.18	3,245	0.88	442.2	329.9	24.30	74.60	241.4	54.59	24.80
A.	185.2	1.91	2,100	0.57	379.5	329.2	24.25	86.75	241.2	63.56	24.78
B.	26.1	0.27	1,145	0.31	62.7	0.7	0.05	1.12	0.2	0.32	0.02
11.	75.0 (e)	0.77	1,960	0.53	105.0 (e)	0.9	0.07	0.86	0.3	0.29	0.03
12.	x	x	1,000	0.27	x	x	x	x	x	x	x
13.	57.7	0.60	2,450	0.67	128.1	4.6	0.34	3.59	3.1	2.42	0.32
14.	17.0 (e)	0.18	575	0.16	30.0 (e)	11.9	0.88	39.67	4.4	14.67	0.45
15.	x	x	3,970	1.08	x	x	x	x	x	x	x
A.	37.9	0.39	1,230	0.34	208.3 (e)	30.7	2.26	14.74	29.0	13.92	2.98
B.	x	x	700	0.19	x	x	x	x	x	x	x
C.	27.0 (e)	0.28	2,040	0.56	57.0 (e)	4.2	0.31	7.37	2.3	4.04	0.24
16.	36.1	0.37	1,290	0.35	58.4	6.0	0.44	10.27	3.3	5.65	0.34
17.	40.0 (e)	0.41	1,200	0.33	95.0 (e)	2.4	0.18	2.53	1.4	1.47	0.14
18.	x	x	670	0.18	x	x	x	x	x	x	x
19.	74.0 (e)	0.76	380	0.10	159.0 (e)	11.0	0.81	6.92	9.4	5.91	0.97
20.	9.8	0.10	1,400	0.38	18.5	4.4	0.32	23.78	4.3	23.24	0.44
21.	124.0	1.28	9,000 (i)	2.45	265.0 (a)	7.1	0.52	2.70	4.3	1.62	0.44
22.	30.0	0.31	4,000 (j)	1.09	132.2 (b)	10.6	0.78	8.02	8.7	6.58	0.89
23.	173.0	1.79	9,000 (k)	2.45	408.0 (c)	49.4	3.64	12.11	42.9	10.51	4.41
24.	124.0	1.28	6,000	1.63	281.0 (d)	80.8	5.95	28.75	43.3	15.41	4.45
25.	608.0	6.28	22,000	5.99	N/A (m)	N/A					
26.	557.0	5.75	15,000	4.09	N/A	N/A					
27.	338.0	3.49	9,000	2.45	N/A	N/A					
28.	293.0	3.02	3,000	0.82	N/A	N/A					
29.	5930.0	61.20	245,000 (i)	66.76	N/A	N/A					
A.	1031.0	10.64	67,000	18.26	N/A	N/A					
B.	1107.0	11.43	33,000	8.98	N/A	N/A					
C.	2010.0	20.75	±63,000	17.17	N/A	N/A					
D.	232.0	2.39	19,000	5.18	N/A	N/A					
E.	1551.0	16.01	±63,000	17.17	N/A	N/A					
(3,12,15B,18)f	367.0 (e)	3.79	7,470	2.04	1453.8 (n)	377.1	27.77	25.94	300.4	20.66	30.86
Total of 29	9689.0	100.00 (g)	367,000	100.00	4595.4 (h)	1357.7	100.00	29.54	973.3	21.18	100.00

(e) = estimate
(-) = nil
(x) = confidential; See Note (f)
N/A = not applicable
All notes on following pages

TABLE 6

SOURCES: Derived from Statistics Canada, Conference Board of Canada, Nova Scotia Directory of Manufacturers, Nova Scotia Export Quarterly.

FOOTNOTES

a. Farm cash receipts (not shipments).

b. Logging Shipments.

c. Value of landings (not shipments).

d. Value of mineral production (not shipments).

e. Estimate.

f. This line is a composite of four manufacturing sectors: 3, 12, 15B and 18. Statistics Canada data in those sectors is classified confidential, and cannot be published except in composite form. This is further explained in section J of this book.

g. Sum does not equal 100.0% due to rounding.

h. Manufacturing shipments (sectors 1-20) only.

i. Sector 21 - Agriculture (Farming)

Note: It is common in government to speak of an "Agricultural" sector, and to use that term to include **four** of the sectors covered in this chart: 1-B - Meat and Poultry Products, 1-C - Fruits and Vegetable Products, 1-D Dairy Products, and this one, 21 - Agriculture (Farming). In that context, the numbers usually given for the value of shipments and employment are much larger than those noted above; e.g., $495 million in shipments in 1984 and 12,000 employed in 1987. But those numbers are broken down into four parts in this context to account for primary production on the one hand, and various kinds of food processing on the other.

When the agricultural products are processed into foodstuffs, additional value is added: e.g., pasteurized milk, cheese, dressed meat and poultry, frozen vegetables and berries, etc. (There is also a third level of value-added with which the consumer has to deal, and that is the value-added in the distribution system which takes the processed foodstuffs to the store shelf.)

j. Sector 22 - Forestry (Logging)

Note: It is common in government to speak of a "Forestry" sector, and to use that term to include **three** of the sectors covered in this chart: 8 - Wood (Lumber), 15 - Paper and Allied Products, and this one, 22 - Forestry (Logging). In that context, the numbers usually given for the value of shipments and employment are much larger than those noted above; e.g., $70 million for shipments in 1984 and, 10,500 employed in 1987. But those numbers are broken down into three parts in this text, and the result is that logging by itself is shown as a sector in which the numbers are much more modest.

k. Sector 23 - Fishing and Trapping

Note: It is common in government to speak of a "Fisheries" sector, and to use that term to include two of the sectors covered in this chart: 1-A - Fish Products, and this one, 23 - Fishing. This is because the fishery, in that broader sense of the work, includes both the processing and the harvesting of the catch. In that context, the numbers usually given for the value of shipments and employment are larger than those noted above: e.g., approximately $800 million in shipments in 1984 and 18,250 employed in 1987. But those numbers are broken down into two parts in this chart, because in a trade context those two aspects have to be differentiated. This is because of the different roles played in our economy by the harvesting itself (Fishing) which is a primary sector activity, and by the processing (Fish Products) which is considered to be a form of manufacturing.

l. See Tables 6A - 6E for more detailed breakdowns of this sector.

m. In the service sectors, "shipments" is not a relevant concept; what is measured is GDP.

n. The grouping of data from these four sectors produces one major distortion: the large size of the figure for **shipments** relative to other factors (GDP, exports, etc.). This distortion is caused by Sector 18, (Petroleum and Coal Products (Refining)) which traditionally, because of very high capital and materials costs, sees an unusual "shipments:GDP" ratio of nearly 20 to 1, and which in Nova Scotia, given the regionally-oriented structure of our industry, has a "shipments:exports" ratio of nearly 20 to 1.

TABLE 6A

SECTOR 29-A - WHOLESALE & RETAIL TRADE, 1984 (SIC 602-699)

GDP (millions $)	1,031.0	% of N.S. GDP	10.64
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT (1987) **Total:**	67,000		18.26
EMPLOYMENT BY SUBSECTOR			% of Sector
Wholesale Trade	**Total:**	16,000	23.9
Retail Trade			
General merchandise - Sears, Simpsons, Zellers, K-Mart, Woolco, etc.		12,000	17.9
Food stores - Sobeys, IGA, Save Easy, Capitol, etc.		10,000	14.9
Motor vehicle dealers		4,000	6.0
Service stations		3,200	4.8
Drug stores - Shoppers Drug Mart, Lawtons, etc.		2,500	3.7
Motor vehicle repairs		2,200	3.3
Household furnishings and appliance stores		1,600	2.4
Women's clothing stores		1,500	2.3
Other retail stores		14,000	20.9
		67,000	100.0

TABLE 6B

SECTOR 29-B - CONSULTING & BUSINESS SERVICES, 1984 (Including Finance, Insurance & Real Estate) (SIC 701-737/ 851-879)

GDP (millions $)		1,107.0	% of N.S. GDP	11.43
EXPORTS (millions $)		N/A		
				% of N.S. Employment
EMPLOYMENT (1987)	**Total:**	33,000		8.98
EMPLOYMENT BY SUBSECTOR				% of Sector
Finance, Insurance & Real Estate Companies	**Total:**	18,000		54.5
Banks & deposit accepting establishments		7,000		21.2
Insurance & real estate agencies		2,500		7.6
Insurance carriers		2,000		6.1
Real estate operators		1,500		4.5
Other credit agencies		5,000		15.2
		18,000		54.5
Services to Business Management	**Total:**	10,000		30.3
Engineering & scientific services		1,800		5.4
Lawyers		1,700		5.2
Accountants		1,200		3.6
Security & investigation services		800		2.4
Computer services		300		0.9
Other		4,200		12.8
		10,000		30.3
Personal Services	**Total:**	5,000		15.2
		33,000		100.0

TABLE 6C

SECTOR 29-C - HEALTH & EDUCATION, 1984 (SIC 801-828)
(and other Provincial Government Services)

GDP (millions $)	2,010.0*	% of N.S. GDP	20.75
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT (1987) Total:	± 63,000**		± 17.17

EMPLOYMENT BY SUBSECTOR			% of Sector
Education and Related Services	**Total:**	28,500	45.2
Elementary and secondary schools		17,400	27.6
Universities and colleges		5,500	8.7
Libraries, museums, etc.		1,200	1.9
Vocational, trades and business college		700	1.1
Post-secondary, non-university		400	0.6
Kindergarten and nursery schools		300	0.5
Other		3,000	4.8
		28,500	45.2
Health and Welfare Services	**Total:**	34,500	54.8
Hospitals		17,800	28.3
Welfare organizations		4,300	6.8
Related health care institutions		3,500	5.6
Physicians and surgeons offices		2,500	4.0
Dentists offices		1,200	1.9
Diagnostic and therapeutic services		450	0.7
Other		4,750	7.5
		34,500	54.8
			100.0

*Breakdown	GDP (millions $)
Education & Related Services	942.0
Health & Welfare Services	749.5
Provincial Administration	204.1
Local Administration	144.4
	2,010.0

**Estimate: 50% of total for Sectors 29-C and 29-E.

TABLE 6D

SECTOR 29-D - HOSPITALITY INDUSTRY, 1984 (SIC 881-886)

GDP (millions $)	232.0	% of N.S. GDP	2.39
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT (1987)	19,000		5.18
EMPLOYMENT BY SUBSECTOR			% of Sector
Restaurants, caterers and taverns		14,000	73.7
Hotels and motels		4,500	23.7
Other food and accommodation services		500	2.6
		19,000	100.0

TABLE 6E

SECTOR 29-E - OTHER SERVICES, 1984 (SIC 841-849/891-991)
(DND; Federal, Provincial, and Local Government Administration; Amusement; Advertising, etc.)

GDP (millions $)	1,551.0	% of N.S. GDP	16.01
EXPORTS (millions $)	N/A		
			% of N.S. Employment
EMPLOYMENT (1987) Total:	± 63,000*		± 17.17
EMPLOYMENT BY SUBSECTOR			% of Sector
Defence services		18,500	29.4
Federal government administration		9,800	15.6
Provincial government administration		8,200	13.0
Local government administration		5,700	9.0
Miscellaneous community, business and personal services		7,000	11.0
Amusement and recreation services		4,000	6.4
Other		9,800	15.6
		63,000	100.0

*Estimate: 50% of total for Sectors 29-C and 29-E.

Economic Analysis Section
Policy and Planning Division
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WHAT THE ECONOMIC STUDIES TELL US

INTRODUCTION

It is one thing to indicate what is quite likely to happen, and another to predict precisely what will occur. This is an attempt to do the former, not the latter.

Generally speaking, determining the potential impact of any trade agreement on an economy is difficult. First the available data have gaps, and those gaps must often be filled by estimates (based on discussions with knowledgeable people). Then, having gathered the data, one must decide what methods to use to calculate costs and benefits, etc. Debates have been ongoing for years as to how best to undertake those calculations, and still much uncertainty exists. Economic studies, then, can at present give only general indications as to the effects of freer trade. However, general indications can be very useful, especially if the results of several studies converge.

Note that many economic statistics are gathered on a national level only, and are not broken down on a regional or provincial level. Thus it is even more difficult to get a precise picture on what is happening, and what is likely to happen, in a provincial economy than in the Canadian one. The picture is, in a sense, more fuzzy. But again, it does give some important indicators.

There are several well-known older studies which looked at the possible impact of freer trade on Canada's small but fundamentally open economy.

Professor J. Young's work for the Gordon Commission in 1957 estimated that the removal of Canadian tariffs would add about 3.5% to the real income of Canadians overall.[1] Since that time, many Canadian tariffs have declined,

and, as predicted, Canadian real income has increased. Other factors were also at work, of course, *but that fundamental fact* remains.

Several years later, a study by Professors Paul and Ron Wonnacott estimated that removal of Canadian and U.S. tariffs would increase Canada's real income by between 10 and 11%.[2]

Both of these studies are in line with a general principle accepted by many analysts: **lowering of barriers between two economies usually brings proportionately greater benefits to whichever of the two is the smaller.** We know of no studies which have indicated the opposite.

RECENT STUDIES (1985)

The most recent studies are those by Richard Harris, and several papers which he and others prepared for the Macdonald Commission.[3] We have focused primarily on Harris' work, chiefly for the reason that it is taken very seriously by the governments of Ontario and Canada, and will therefore heavily influence the discussions, and perhaps even the agenda.

When Harris began his work, the best figures he had to work with were the tariff levels in place in 1976. Combining those with estimates of the financial effect of various non-tariff measures (NTMs) used by both Canada and the U.S.A., he worked out a model in 1983 to indicate the effects of eliminating those tariffs and NTMs.[4]

According to that model, the impacts on Canada of eliminating those tariffs and NTMs would be:

- 9% increase in Canada's real income;
- 5.5% increase in employment in the manufacturing sector of the economy;
- 13 - 15% increase in labour income;
- almost doubling of Canada's total trade with the U.S.A.

Since that work was published, the federal government has asked him to update the model with more recent figures, and is making every effort to make those figures available to him. The results are not yet known.[5] Also, other economists are working to adjust and improve the model, including Professor R. Tremblay, who has brought the analysis down to a regional level.[6]

FOCUSING ON NOVA SCOTIA (1986)

Our basic problem at this junction is that all those studies look at the effect of freer trade on Canada in general, but not on Nova Scotia in particular. So we have adapted the model for application to the Nova Scotia economy.

The first step was to commission Foster Economics Ltd. (now known as Canmac Economics Ltd.) to apply the Harris model to this province's economy. This was done with information publicly available from Statistics Canada and other sources.*

*The results are available in Volume 1 of the Nova Scotia Background Studies Related to Canada-U.S. Free Trade Negotiations.

A word of explanation is in order. Statistics Canada collects data from companies and individuals under the Statistics Act of Canada, which prohibits publication of information which would reveal individual characterists. This precludes release of data for sectors when there are less than three establishments in that sector, or when one establishment comprises seventy percent or more of the shipments for that sector. This well-respected provision of Canadian law protects the confidentiality of commercial and business information on the individual company level, and without it business would be loathe to provide Statistics Canada the requested information. A somewhat parallel situation exists with the confidentiality provisions relating to information collected on individuals in the Census of Canada, or in other ongoing surveys by Statistics Canada.

In view of this situation, and yet wanting to provide the best possible analysis of the impact of freer trade on the provincial economy, we took the computer program developed by Foster, and then supplemented it with published information available to us, with other estimates developed by our Economic Analysis section, and with data from the 1985 Nova Scotia Industry Trade Survey. We also made adjustments for recent major changes in the provincial economy such as the closure of the AECL heavy-water plants in Cape Breton.

This adjusted program is thus the best available at present (July, 1986). Its most important use is as a cross check to the perspective given us in the survey interviews, as the numerical model has no "'vested interests' to protect or promote.

Using 1982 figures, the results of this adjusted model indicate that there would be, on balance, a net benefit to Nova Scotia:

- 8% increase in manufacturing shipments;
- 5.5% increase in manufacturing GDP;
- 3.5 - 4% increase in manufacturing jobs (1,500 - 1,700);
- 5% increase in the non-manufacturing sectors in GDP; and
- 5 - 5.5% increase in jobs in the non-manufacturing sectors (14,000 - 15,500).

TWO DIFFERENT SCENARIOS

The Harris model sharply differentiates between the situation faced by firms operating in what he calls a "non-competitive" market environment and those operating in a "competitive" one.

- In a non-competitive market situation, one assumes industries in which the firms are price setters: prices are set by calculating unit costs, and then marking them up sufficiently to generate a profit;
- In a competitive market situation, one assumes industries in which the firms are price takers; and constant returns are assumed and unit costs have to be kept below that price if there is going to be a profit on sales.

The importance of this distinction is that, other things being equal, the benefits of freer trade are likely to be greater when many of the firms in an economy are enjoying a "non-competitive" market situation (are price setters in their field). By contrast, the benefits of freer trade are likely to be less if

many firms in an economy are positioned in a "competitive" market situation (are price takers, while other firms in their field are the price setters.)

For example, it is well known that in finished lumber, firms in Norway and Sweden are currently operating as price setters, and firms in Nova Scotia are generally price takers. That being the case, the Scandinavians would be more likely to benefit from freer trade with the U.S.A. in that sector than we would. On the other hand, it is well known that in fish products, some firms in Nova Scotia are currently operating as price setters. That being the case, we would be more likely to benefit from freer trade in that sector.

A hypothetical scenario can be constructed in which all our industries are price takers (a "competitive" scenario), and then made to reflect the situation which would hold if freer trade were in place. That scenario can then be contrasted with what actually happened under the existing trade rules. Similarly, a second scenario can be constructed in which all our industries are price setters (a "non-competitive" scenario), then made to reflect the situation which would hold if freer trade were in place -- and then contrasted with what actually happened under the existing trade rules.

Application of these models to the Nova Scotia economy yields the following indications of what the effect of freer trade with the U.S.A. would be, using data from several recent years. It is important that the results were consistent over several reporting periods, as this supports the validity of the findings.

TABLE 7

COMPARISON OF TWO TRADE SCENARIOS

NOVA SCOTIA, 1976 - 1982

	% increase over actual levels				
	1976	1979	1980	1981	1982*
A. Competitive Scenario					
(Assuming all firms are price takers)					
Output					
Manufacturing shipments	8.9	9.1	8.8	9.0	8.0
Manufacturing GDP	N/A	N/A	N/A	N/A	5.6
Non-manufacturing GDP	5.0	5.5	5.5	5.4	5.4
Employment					
Manufacturing	4.8	5.7	5.5	5.2	4.0
Non-manufacturing	5.6	5.2	5.6	5.6	5.6
B. Non-Competitive Scenario					
(Assuming all firms are price setters)					
Output					
Manufacturing shipments	32.7	31.7	31.6	34.7	32.5
Manufacturing GDP	N/A	N/A	N/A	N/A	32.8
Non-Manufacturing GDP	7.8	8.4	8.5	8.4	8.4
Employment					
Manfuacturing	35.6	35.3	35.5	36.1	33.7
Non-manufacturing	8.6	8.1	8.5	8.5	8.5

* Based on preliminary estimates.

In the real world, economies do not operate completely in the competitive or non-competitive scenarios. No economy is so weak that it is completely made up of firms which are boxed-in as price takers, nor is any economy so strong that all its firms are price setters. Nova Scotia is no exception. Some of our firms are price setters, and some of them are price takers. Therefore, the most likely impact of freer trade is somewhat more positive than the numbers in the Competitive Scenario (A), and somewhat less positive than the numbers in the Non-Competitive Scenario (B).

Note several things:

(1) Although we have cross-checked the original model's 1976 data with data from 1982, it is still not totally current; tariffs have lowered since 1976, and even since 1982, and the lower they go the less is the improvement gained from freer trade.

(2) We have taken that into account in several major areas in order to sharpen the model; for example, the benefits indicated in the model for the pulp and paper industry have been adjusted to account for the facts that since 1976 tariffs in that sector have been almost totally removed, and the Nova Scotia plants have been extensively modernized.

(3) Since 1982 was a recession year, data from that year tend to reveal a "worse case" scenario; in a year in which the economy is stronger, the impact of freer trade would be more positive than that indicated in Table 7.

(4) The model is based on the dynamics of the national economy, and to the extent Nova Scotia's economy operates differently, there will be some limitations in applying it to the province. (E.g., if the "underground" economy is stronger in Nova Scotia than in some other places, negative effects of freer trade may be cushioned more here than elsewhere...).

(5) Finally, many of the gains from trade accrue from a rationalization of industries, that is to say, changes such as streamlining of plants, product specialization, and vertical and/or horizontal integration. If this rationalization does not occur in this province in proportion to its occurance across Canada, then the benefits here from free trade could be considerably less. To say this another way, if Nova Scotia has relatively more "weak", non-market aggressive firms than Canada as a whole, then it would receive relatively less of the benefits of freer trade.

INFERENCES FROM THE NUMBERS

The conclusion emerging from the preceding material is that, on balance, there would be a net benefit to the Nova Scotia economy from freer trade with the U.S.A. Even in the hypothetical situation in which all our firms are price takers and none are price setters, the indicated for our base year, 1982, significant percentages:

- 8% increase in manufacturing shipments;
- 5.5% increase in manufacturing GDP;
- 3.5 - 4% increase in manufacturing jobs (1,500 - 1,700);
- 5% increase in the non-manufacturing sectors in GDP; and
- 5 - 5.5 % increase in jobs in the non-manufacturing sectors (14,000 - 15,500).

However, a key term is still "net" benefit to the provincial economy. The numbers are not suggesting that there would be no losers in this process; only that there would be more winners than losers. There would still be some industries which would be threatened. This is basically because freer trade leads to advantages for firms which are more productive and can therefore sell cheaper. In some cases, those firms are not in Canada nor in Nova Scotia. Their competitors here, then, are vulnerable, and they will have to change or face increased competition.

ADAPTING THE ONTARIO STUDY

The Government of Ontario has made a well-publicized effort to identify those manufacturing industries in Ontario which would be vulnerable to some degree if there is freer trade in manufactured goods with the U.S.A. We have taken their work and adjusted it for Nova Scotia to get some indication of which manufacturing sectors would be potentially vulnerable here under the same circumstances.

In preparation for the November, 1985, meeting of First Ministers in Halifax, the Ontario Ministry of Trade and Technology prepared a paper on the "Assessment of Direct Employment Effects of Freer Trade for Ontario's Manufacturing Industry".[7] The purpose of this paper was to highlight the industrial sectors in Ontario which would be vulnerable to negative impact under freer trade.

In terms of numerical analysis, that paper leaves much to be desired. It did not calculate any of the indirect costs or benefits of freer trade (such as increased transportation trade); it did not include any implications for interprovincial trade; and it did not deal with the non-manufacturing sectors of the economy, which even in Ontario make up most of the economy. But it did

examine current levels of tariff and non-tariff protection in Canada and the U.S.; current levels of exports, imports, and trade balances; the percentage of Ontario's total shipments which are exported to the U.S., and the penetration of U.S. imports into the Ontario market.

Having done that, the study focuses on three groups of industries:

(a) Those categorized as "highly sensitive" - meaning:

- enjoy significant levels of protection now (tariffs and/or NTMs);
- tend to be sensitive to competition from imports;
- tend to export little;

(b) Those which are "sensitive" -- meaning:

- enjoy significant levels of protection now;
- tend to be sensitive to competition from imports;
- tend to export quite a bit;

(c) Those which are "less sensitive" -- meaning:

- already competing in an environment with low levels of protection.

What we have done is to take the Ontario categories and methodology and apply them to Nova Scotia. We have also made some adjustments in the model to take account of our local situation. This leads to the following list of "highly sensitive" manufacturing sectors in Nova Scotia:

Nova Scotia: Highly sensitive manufacturing sectors: *

Sector #	
1-E	Beverages (alcoholic only)
6	Knitting Mills
9	Furniture and Fixtures
10-B	Paper Box & Other Packaging products
12	Primary Metals (Steel)
15-B	Railway Rolling Stock
15-C	Shipbuilding and Repair

(* Update 1/88: Note that the Canada-U.S. Trade Agreement, as finally negotiated, contains provisions which continue some level of protection for several of these sectors, including beer (in the alcoholic beverage sector), primary metals (steel), railway rolling stock and shipbuilding.)

In Ontario, because of their economic structure, there are several additional manufacturing sectors listed as "highly sensitive". However, using their criteria, they do not appear to be highly sensitive in Nova Scotia. The sectors are:

Sector #	
5	Textiles
7	Clothing
8	Wood (finished material for doors, etc.)
11	Printing and Allied Trades
13	Metal Fabricating (stamping and pressing)

(** Update 1/88: When this was written, textiles were assumed to be on an equal footing with clothing, and capable of adjusting to market trends. However, the provisions of the Canada-U.S. Trade Agreement enable the clothing industry to import significant quantities of materials, and therefore make the textile industry more sensitive.)

Using the same approach, the Ontario model applied to Nova Scotia would generate the following list of "less sensitive" industries (that is, industries which already operate with very low levels of protection from tariffs and NTMs, and therefore will not be greatly affected by a trade agreement which further reduces tariffs and NTMs):

Sector #	
3	Rubber and Plastics
8	Wood (lumber)
10A	Pulp and paper
16	Electrical products *
17	Non-metallic Mineral products (cement only)
18	Petroleum and Coal products (refining)
20	Other Miscellaneous Manufacturing

(* Update 1/88: The assumption here was that electrical products would have a long transition period on tariff phase-outs. The split in the length of tariff phaseouts mandated by the Canada-U.S. Trade Agreement within various parts of this sector -- e.g., ten years for some, five years for others -- has made parts of this industry more sensitive.)

OTHER COMMENTS ON THE ONTARIO STUDY

Recently the noted Canadian economist, Professor Richard Lipsey[v], commented on the Ontario study and focused on an interesting point. Taking the Ontario manufacturing industries categorized as "highly sensitive", he looked at what has happened in Ontario in those sectors since the 1978-84 reduction in tariffs (generated by the Tokyo Round of GATT talks). <u>While imports in those sectors did increase by 90%, exports in those sectors increased by 190%</u>! In other

words, the sick and the lame arose and began to walk. Or to put it another way, faced with tariff reductions, the industries in question improved their export performance considerably.

It is also important to note what happened in the EEC under freer trade, where it was widely predicted that whole sectors of manufacturing would be wiped out in several countries. But a funny thing happened on the way to the cemetery. As Lipsey puts it, "The feared loss of national industries did not come to pass. It did not happen that France produced all the wine, West Germany all the cars, Italy all the fashion goods, and so on." Instead, each country's industries specialized in particular product "niches". Therefore it seems that the EEC experience and the Ontario data both support the "niche" theory of trade-induced specialization. And this corresponds closely with what we found in our interviews with Nova Scotia business people.

INFORMETRICA (1986): CANADA AND NOVA SCOTIA

In January, 1986, Informetrica Ltd. published their analysis of the impact of freer trade with the U.S. on the Canadian economy as a whole, and also on each of the ten provincial economies.[9] Their study uses a methodology quite different from that used by Harris, and so serves as a useful cross check to the previous analysis.

The bottom line to the Informetrica study is that freer trade would have a positive impact on the Nova Scotia economy, but at a level slighly lower than that projected using the Harris model. Their major conclusions are:

- A "positive effect on the Gross National product from all dimensions of trade enhancement";
- Comparatively small impact from tariff elimination;
- Quite significant impact from the reduction of non-tariff measures;
- Taking all industries in Canada as a whole, an increase in real output as a result of trade enhancement amounting to at least 1% by 1991 and rising thereafter to 2.5% in 2005.
- A resulting increase in employment in Canada of 100,000 by 1994 and of 150,000 by 2005;
- Also a net increase in employment in Canada as a result of increased real wage incomes (more consumers with more buying power), and also an increase in the size of the labor force;
- Output of most sectors to be in line with growth projected for Canada as a whole;
- Negative effect on the manufacturing of "tobacco products, and of textiles and clothing", but without a decrease from current levels;

° Major gains in the fish processing and fishing sectors, and also in shipbuilding, railway equipment, non-electric machinery and primary metals.

The following table from their study shows their calculation of the impact of freer trade on a province by province basis:

TABLE 8

IMPACT OF FREER TRADE PROVINCE BY PROVINCE

Increase in:	Real Output (%)		Employment (000's)		Real Per-Capita Personal Income (%)	
	1992	2005	1992	2005	1992	2005
Nova Scotia	**1.6**	**2.4**	**3**	**8**	**1.3**	**2.7**
Newfoundland	2.1	2.4	4	7	1.2	2.0
Prince Edward Isl.	2.1	3.1	1	2	.8	2.8
Quebec	1.4	2.1	13	29	1.2	2.8
Ontario	1.7	2.9	26	52	1.3	3.3
Manitoba	1.5	2.4	4	9	1.4	2.8
Saskatchewan	1.3	1.8	2	6	2.0	3.1
Alberta	1.1	1.5	4	11	1.3	2.8
B.C. and Terr.	1.5	2.2	8	19	1.1	2.9
Canada	1.5	2.4	67	146	1.3	3.0

The provinces benefiting the most from increased trade with the U.S. are the Atlantic provinces, Ontario and Manitoba. The Atlantic provinces are projected to "benefit especially from increased activity in the fisheries, fish processing and other food processing". Ontario benefits because of particularly large increases

in the manufacture of durable goods. Quebec, on the other hand, suffers because its manufacturing sector is dominated by non-durables (including textiles and clothing, which are negatively affected by the increased trade), and other sectors of its economy gain only minimal benefits (forestry, mining and electrical power generation). Manitoba benefits from the strong impact on manufacturing in general.

The Informetrica estimate of a 2.5% per capita growth in GNP in Canada by 2005 is lower than the findings of other researchers. This lower result is generated, at least in part, by the assumptions made in the modeling. For example, the model assumes that the Federal Government, which as customs duties decline will face substantial losses in revenue (estimated to be $3.5 billions in 1992), will compensate for those losses by raising personal income taxes by a similar amount. If Canadian consumers were allowed to gain all the benefits of lower customs duties, the per capita growth in GNP in Canada by 2005 would increase by another percentage point to 3.5%.

The study points out that the growth could be 0.5% lower than that projected, or as much as 1.5% higher, depending upon such variables as the policies of the Federal government and the Bank of Canada, world economic trends, etc. In short, the projected positive results would range between 2% and 4%.

The Department of External Affairs has made preliminary estimates of the current value of tariff and non-tariff barriers in various sectors. Informetrica has used that information to develop the following table of the projected impact on prices of the removal of those barriers in various sectors. Table 9 shows the value of those barriers in terms of the percentage they form of current prices.

TABLE 9

Trade Price Impact of
Tariff and NTB reduction for Imports and Exports
(percentage change)

Exports	Tariff	NTB	Imports	Tariff	NTB
Live Animals	1.05	17.8	Live Animals	1.9	13.78
Grain	1.3	17.8	Fresh Fruit	.8	17.78
Wheat	2.7	17.8	Sugar	3.7	10.25
Alcoholic Beverages	3.5	16.4	Cocoa, Coffee and Tea	4.8	10.25
Tobacco	10.7	.3	Agriculture	4.25	11.12
Other Foods Sect.2	2.3	16.4	Crude Animal Products	1.5	6.9
Other Foods Sect.3	2.6	16.4	Crude Vegetable Prod.	.8	13.8
Logs	.8	0.0	Textiles	13.5	.15
Iron Ore	0.0	0.0	Metal In Ores	.08	.06
Coal	0.0	0.0	Coal and other Crude		
Sulfur	1.3	0.0	Bituminous Sub.	0.0	.09
Uranium	0.0	0.0	Logs	0.0	.07
Copper Ore	0.0	3.7	Coal Products	0.0	.01
Nickel Ore	0.0	0.0	Chemical Products Inc.		
Zinc Ore	0.0	0.0	Fertilizer	2.5	.93
Other Ores	.7	7.0	Textiles Sect. 4	15.1	.96
Asbestos	1.13	0.0	Non Metallic Mineral		
Other Manufactured			Base Products	1.16	.61
Goods	3.69	.26	Metal Fabricated		
Lumber	0.0	0.0	Products	5.9	.34
Pulp	0.0	.19	Non Metallic		
Newsprint	.2	.19	Fabricated Products	.4	.05
Paper	2.16	.19	Iron and Steel	5.8	.12
Iron and Steel	3.63	16.24	Oils Fats and Waxes	5.3	5.6
Aluminum	.5	20.40	Non Ferrous Metals	1.73	.07
Copper	1.0	20.40	Other, Section 4	6.01	.90
Nickel	.05	20.40	Cars	.33	1.04
Zinc	1.5	20.40	Commercial Vehicles	1.7	1.04
Other Non Ferrous			Auto Parts	.7	1.04
Metals	1.5	20.40	Computer and Office		
Chemicals	2.5	1.9	Machinery	4.0	.76
Fertilizer	0.0	1.08	Industrial Machinery	3.9	1.09
Petroleum and Coal			Farm Machinery	.16	1.35
Products	.35	0.0	Aircraft	1.69	1.04
Other Manufactured			Telecommunications		
Goods, Section 4	2.6	.7	Equipment	5.57	.76
Industrial Machinery	2.9	2.2	Electrical Equipment	5.84	.85
Farm Machinery	.14	2.9	Outerwear	17.28	1.93
Cars	.02	5.7	Other Manufactured		
Commercial Vehicles	.23	5.8	Goods, Section 5	6.93	.95
Auto Parts	.27	5.8			
Aircraft and Parts	.23	5.8			
Other Manufactured					
Goods, Section 5	4.19	4.9			

The impacts listed in Table 9 shows why Informetrica expects a significant reduction in the overall Consumer Price Index in Canada if the trade negotiations are successful in removing those barriers.

The reduction in prices which could result from reducing those tariff and non-tariff barriers would translate into increased real income (purchasing power) for Canadians. This would be most noticeable in those parts of the country which have the highest proportion of imported goods in their consumption, i.e., the Atlantic provinces.

That increase in real income by consumers will normally translate into increased demand in the marketplace. That in turn generates increased economic activity and employment. Those employment gains would roughly parallel gains in output, namely between 2% and 4%.

As Informetrica sees it, in Nova Scotia and the other Atlantic provinces the largest gains in output and employment would occur in several sectors: fish processing, fishing, food processing and metal mining.

The model used by Informetrica to project results for Nova Scotia is a "top-down" model. That is a model in which the majority of information (both numbers and relationships) is extracted from the national model -- but that is supplemented wherever possible with information collected on a provincial level. This is all that can be done at present, especially in small provinces like Nova Scotia, because a significant part of the sector detail is classified as confidential by Statistics Canada, and other significant parts are simply not collected at the

provincial level. (For example, as we mentioned earlier in this chapter, data on imports into Canada are available only on a national level.)

The following Table 10 gives some of the results of Informetrica's application of their model to Nova Scotia. Perhaps its most important aspect in that its general picture is consistent with those developed using the Harris model, even though it has been based on a completely different set of calculations.

TABLE: CINDICIO
MAJOR INDICATORS FOR NOVA SCOTIA
PERCENTAGE DIFFERENCES

		1988	1989	1990	1991	1992	1993	1994	1995
CTOTYK	GROSS DOMESTIC PRODUCT ($1971)	0.16	0.43	0.75	1.17	1.62	1.84	1.97	2.07
CYTEYC	GROSS DOMESTIC PRODUCT ($C)	0.05	0.04	-0.13	-0.41	-0.89	-1.61	-2.36	-2.95
CTOTPI	GROSS DOMESTIC PRODUCT DEFLATOR (1971=1.0)	-0.11	-0.39	-0.87	-1.56	-2.46	-3.38	-4.24	-4.92
CTOTET	EMPLOYMENT (LFS,'000)	0.07	0.17	0.32	0.56	0.85	1.07	1.25	1.41
CTOTYG	GDP($1971)/EMPLOYMENT	0.09	0.26	0.42	0.61	0.75	0.76	0.71	0.66
CYTWAC	LABOUR INCOME ($C)	0.04	0.01	-0.11	-0.36	-0.80	-1.47	-2.15	-2.69
CYTWAG	PER PERSON	-0.03	-0.15	-0.43	-0.91	-1.64	-2.51	-3.36	-4.04
CDLABT	LABOUR FORCE ('000)	0.05	0.16	0.29	0.44	0.62	0.71	0.80	0.89
CDHOHT	HOUSEHOLDS ('000)	0.01	0.03	0.06	0.10	0.16	0.21	0.27	0.33
CDLABH	LABOUR FORCE/HOUSEHOLDS	0.05	0.13	0.23	0.34	0.46	0.50	0.53	0.56
CYCPDC	CORPORATE PROFITS (DOMESTIC)	-0.65	-1.26	-2.74	-4.08	-6.44	-8.47	-10.72	-11.99
CYYPRC	PERSONAL INCOME	-0.04	-0.18	-0.45	-0.87	-1.47	-2.17	-2.79	-3.19
CTOTCK	NON-RES. CONSTR. INVESTMENT ($1971)	0.11	0.27	0.58	0.98	1.42	1.75	1.87	1.78
CNEXTK	RESID. INVESTMENT ($1971)	0.12	0.54	1.24	2.15	3.22	4.08	4.55	4.66

		1996	1997	1998	1999	2000	2001	2002	2003
CTOTYK	GROSS DOMESTIC PRODUCT ($1971)	2.09	2.16	2.21	2.23	2.24	2.21	2.28	2.29
CYTEYC	GROSS DOMESTIC PRODUCT ($C)	-3.41	-3.53	-3.57	-3.48	-3.38	-3.32	-3.26	-3.45
CTOTPI	GROSS DOMESTIC PRODUCT DEFLATOR (1971=1.0)	-5.38	-5.57	-5.65	-5.58	-5.50	-5.42	-5.41	-5.61
CTOTET	EMPLOYMENT (LFS,'000)	1.50	1.57	1.60	1.65	1.66	1.66	1.67	1.67
CTOTYG	GDP($1971)/EMPLOYMENT	0.58	0.59	0.60	0.57	0.57	0.55	0.60	0.61
CYTWAC	LABOUR INCOME ($C)	-3.11	-3.27	-3.34	-3.29	-3.24	-3.21	-3.17	-3.32
CYTWAG	PER PERSON	-4.54	-4.76	-4.86	-4.85	-4.82	-4.79	-4.76	-4.91
CDLABT	LABOUR FORCE ('000)	0.97	1.06	1.15	1.22	1.26	1.28	1.30	1.31
CDHOHT	HOUSEHOLDS ('000)	0.41	0.50	0.60	0.69	0.77	0.83	0.86	0.87
CDLABH	LABOUR FORCE/HOUSEHOLDS	0.56	0.55	0.55	0.53	0.49	0.45	0.44	0.43
CYCPDC	CORPORATE PROFITS (DOMESTIC)	-12.21	-10.64	-9.89	-8.72	-7.81	-7.50	-6.80	-8.36
CYYPRC	PERSONAL INCOME	-3.42	-3.40	-3.33	-3.13	-2.98	-2.86	-2.81	-2.99
CTOTCK	NON-RES. CONSTR. INVESTMENT ($1971)	1.50	1.12	0.81	0.59	0.51	0.53	0.59	0.70
CNEXTK	RESID. INVESTMENT ($1971)	4.41	4.04	3.70	3.32	2.95	2.59	2.16	1.86

TABLE: CINDICIO
MAJOR INDICATORS FOR NOVA SCOTIA
PERCENTAGE DIFFERENCES

		2004	2005
CTOTYK	GROSS DOMESTIC PRODUCT ($1971)	2.35	2.40
CYTEYC	GROSS DOMESTIC PRODUCT ($C)	-3.65	-4.02
CTOTPI	GROSS DOMESTIC PRODUCT DEFLATOR (1971=1.0)	-5.86	-6.26
CTOTET	EMPLOYMENT (LFS,'000)	1.70	1.72
CTOTYG	GDP($1971)/EMPLOYMENT	0.64	0.66
CYTWAC	LABOUR INCOME ($C)	-3.51	-3.84
CYTWAG	PER PERSON	-5.12	-5.47
CDLABT	LABOUR FORCE ('000)	1.30	1.27
CDHSHT	HOUSEHOLDS ('000)	0.86	0.82
CDLABH	LABOUR FORCE/HOUSEHOLDS	0.44	0.45
CYCPDC	CORPORATE PROFITS (DOMESTIC)	-8.75	-10.20
CYYPRC	PERSONAL INCOME	-3.20	-3.56
CTOTCK	NON-RES. CONSTR. INVESTMENT ($1971)	0.87	1.04
CIEXTK	RESID. INVESTMENT ($1971)	1.65	1.20

J.

FOOTNOTES

1. J. H. Young, "Canadian Commercial Policy" (Ottawa: Royal Commission on Canada's Economic Prospects, 1957).

2. R. J. Wonnacott and P. Wonnacott, "Free Trade Between the United States and Canada". (Cambridge, Mass.: Harvard University Press, 1967).

3. Richard G. Harris, "Trade Industrial Policy and International Competition" (University of Toronto: Study No. 13 for the Royal Commission on the Economic Union, 1985).

4. R. G. Harris, "Applied General Equilibrium Analysis of Small Open Economies with Scale Economies and Imperfect Competition" (Discussion Paper No. 524, 1983, Queens University, Kingston, Ontario.)

5. The federal Department of Finance, with Harris' assistance, refined the model for application to a more highly dis-aggregated level of sectoral detail. The updated analysis included: substitution of current tariff measures for the 1976 tariff levels used in the original study; development of new measures of scale economies; and introduction of tariff-equivalent measures for NTMs. The aggregated results have been published in: The Canada-U.S. Free Trade Agreement: An Economic Analysis, Department of Finance (Canada), Fiscal Policy and Economic Analysis Branch, 1988.

6. R. Tremblay, "The Regional Impact in Canada of Free Trade" (Canadian Journal of Regional Science; Institute of Public Affairs, Spring, 1985).

7. Ontario Ministry of Industry, Trade and Technology, "Assessment of Direct Employment Effects of Freer Trade for Ontario's Manufacturing Industries", November, 1985.

8. Richard Lipsey, "Fears of Job Losses are Overstated" (The Financial Post, January 11, 1986).

9. Informetrica Limited, Canada-United Sttes Trade Initiative: Research Papers; "Economic Impacts of Enhanced Bilateral Trade: National and Provincial Results" (Department of External Affairs, January, 1986).

K. (UPDATE 12/87):

Economic Analysis Section
Policy & Planning Division

WHAT THE ECONOMIC STUDIES TELL US

INTRODUCTION

The early pages of Section J describes of some pre-1985 studies of the probable impact on Canada of freer trade with the U.S., as well as the critical 1985 studies by Richard Harris.

Those studies, however, looked at the effect of freer trade on Canada as a whole, but not on Nova Scotia in particular. Therefore, in the fall of 1985, the Department of Development contracted Foster (Canmac) Economics to carry out a study to quantify the impacts on the Nova Scotia economy arising from free trade between Canada and the United States. Impacts were evaluated by applying the Harris computer model to data covering the 1978-82 period from all major sectors of the Nova Scotia economy. Foster generated estimates of free trade impacts on manufacturing shipments by industry, and on GDP and employment in various industry sectors*.

In early 1986 the Department of Development refined the Foster study results in two respects. First, industry sector data gaps in the Foster study were filled by drawing on a variety of information sources to develop the required data estimates**. Second, adjustments were made to some industry impact coefficients to provide a better reflection of industry expansion potential. The results of this research process are reported in Section J.

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* The Foster study is available in Volume I of the Nova Scotia Background studies related to the Canada-U.S. Free Trade Negotiations.

** The Foster study faced inherent difficulties because of the confidentiality of Statistics Canada information on some sectors of the Nova Scotia economy. This is explained in Section J, "Focusing on Nova Scotia (1986)".

THIS UPDATE

In the fall of 1987 it was decided for two reasons to update those efforts to measure the impact on Nova Scotia of Canada-U.S. free trade, employing the same computer-based economic modelling approach. First, some underlying economic conditions of Nova Scotia's economy had changed. In particular, whereas the period 1978-82 encompassed a major recessionary period (1980-82), the post-1982 years have been characterized by strong recovery and economic growth. Second, the actual initialling of a Canada-U.S. free trade agreement made it desirable to have a quantitative assessment of the potential impact of such an agreement on Nova Scotia based on the most current information available.

The principal objective of this updating exercise is to assess how the Foster and our own previous findings fare under the current economic conditions and structure of the Province's economy. Our procedures and results are detailed below.

Actual annual data on Nova Scotia's output and employment for 1982-86 are shown in Table 11 in aggregate from for manufacturing and non-manufacturing sectors of the provincial economy.

TABLE 11

MANUFACTURING AND NON-MANUFACTURING

OUTPUT AND EMPLOYMENT DATA

NOVA SCOTIA: 1982 - 1986

	1982	1983	1984	1985	1986
Manufacturing Shipments (million $)	3507	3770	4465	4765	4743
Manufacturing GDP (million $)	960	1067	1337	1364	1425
Total GDP less manufacturing GDP (million $)	6865	7633	8346	9159	9892
Manufacturing Employment ('000)	34.2	42.0	42.0	46.0	45.0
Total Employment ('000)	312.0	319.0	337.0	337.0	344.0

TWO DIFFERENT SCENARIOS

The Harris model used in both the Foster and the Department of Development studies differentiates sharply between the situation faced by firms operating in what can be called a "non-competitive" market environment, and those operating in what can be called a "competitive" one.

- In a non-competitive market situation, one assumes industries in which the firms are price setters: prices are set by calculating unit costs, and then marking them up sufficiently to generate a profit;

- In a competitive market situation, one assumes in which the firms are price takers; and constant returns are assumed and units costs have to be kept below that price if there is going to be a profit on sales.

The importance of this distinction is that, other things being equal, the benefits of freer trade are likely to be greater when many of the firms in an economy are enjoying a "non-competitive" market situation (are price setters in their field). By contrast, the benefits of freer trade are likely to be less if many firms in an economy are positioned in a "competitive" market situation (are price takers, while other firms in their field are the price setters.)

For example, it is well known that in finished lumber, firms in Norway and Sweden are currently operating as price setters, and firms in Nova Scotia are generally price takers. That being the case, the Scandinavians would be more likely to benefit from freer trade with the U.S.A. in that sector than we would. On the other hand, it is well known that in fish products, some firms in Nova Scotia are currently operating as price setters. That being the case, we would be more likely to benefit from freer trade in that sector.

A hypothetical scenario can be constructed in which all our industries are price takers (a "competitive" scenario), and then made to reflect the situation which would hold if freer trade were in place. That scenario can then be contrasted with what actually happened under the existing trade rules. Similarly, a second scenario can be constructed in which all our industries are price setters (a "non-competitive" scenario), then made to reflect the situation which would hold if freer trade were in place -- and then contrasted with what actually happened under the existing trade rules.

Application of these models to the Nova Scotia economy yields the following indications of what the effect of freer trade with the U.S.A. would be, using data from 1982-1986. It is important that the results were consistent over several reporting periods, as this supports the validity of the findings.

TABLE 12

COMPARISON OF TWO TRADE SCENARIOS

NOVA SCOTIA: 1982 - 1986

	% increase over actual levels				
	1982*	1983	1984	1985**	1986**
A. Competitive Scenario					
(Assuming all firms are price takers)					
Output					
Manufacturing shipments	12.0	11.0	11.7	9.8	9.8
Manufacturing GDP	8.3	4.7	6.0	4.9	6.3
Non-manufacturing GDP	5.0	5.1	5.1	4.8	4.8
Employment					
Manufacturing	6.7	6.2	6.2	5.0	5.9
Non-manufacturing	5.6	5.5	5.5	5.7	5.6
B. Non-Competitive Scenario					
(Assuming all firms are price setters)					
Output					
Manufacturing shipments	36.3	33.9	35.8	32.3	33.4
Manufacturing GDP	35.9	30.3	33.0	30.8	32.7
Non-manufacturing GDP	8.0	8.1	8.1	7.9	7.8
Employment					
Manufacturing	37.2	36.5	36.2	34.5	35.7
Non-manufacturing	8.5	8.5	8.5	8.7	8.7

* Actual figures for 1982 used as imputs in this Table were higher than the preliminary estimates used as 1982 imputs in Table 7.

** Based on preliminary estimates.

In reviewing the results of these modeling exercises over a ten-year period (1976-86, tables 7 and 12), it is reasonable to conclude that there would be, on balance, under competitive conditions, a net benefit to Nova Scotia. A cautious estimate would place those benefits at about the following levels:

- 9% increase in manufacturing shipments
- 5% increase in GDP in the manufacturing sector
- 5% increase in manufacturing employment (2,000 jobs)
- 5% increase in GDP in the non-manufacturing sectors
- 5.5% increase in non-manufacturing employment (16,000 jobs)

It should be noted, however, that these updated results indicate a somewhat higher net impact on manufacturing shipments, GDP and employment than our previous findings, (Table 7) had suggested. This is traceable chiefly to our changed perception of the potential of the pulp and paper and primary metals sectors to respond to competitive pressures under free trade. In our previous assessment (early 1986) the impact coefficients were constrained to a zero response for both the competitive and non-competitive scenarios. Since then, however, modernization and expansion programs in these sectors have been announced or indicated. These developments imply that these major industries, with new and incremental state-of-the-art plants, will have additional capacity to respond positively to free trade opportunities. Accordingly, the impact coefficients for these industries have been adjusted to accommodate a measure of positive response in shipments, GDP and employment.

THE OVERALL PICTURE

The computer-based model is constructed to provide separate results for manufacturing and non-manufacturing sectors. It is possible, however, to take these separate, two-sector results and combine them to derive weighted average measures of the impact on GDP and employment for the Nova Scotia economy as a whole. The economy-wide impacts on GDP and employment are shown in Table 13 for the competitive and non-competitive scenarios.

TABLE 13
GDP and EMPLOYMENT IMPACTS
COMPARISON OF TWO TRADE SCENARIOS
NOVA SCOTIA: 1982 - 1986

	% of increase over actual levels				
	1982	1983	1984	1985	1986
A. Competitive Scenario					
Total GDP	5.4	4.9	5.1	4.9	5.0
Total employment	5.7	5.6	5.6	5.6	5.7
B. Non-Competitive Scenario					
Total GDP	11.4	10.7	11.5	11.9	11.0
Total employment	11.7	12.2	12.0	12.2	12.2

The percentage change figures in Table 13 indicate the extent to which Nova Scotia's GDP and employment would have been higher in the 1982-86 period had free trade existed between Canada and the USA during this period. In the case of the "competitive" scenario, this means that the net benefit to the Nova Scotia would have been:

- 5% increase in GDP;
- 5.6% increase in employment.

In 1986, this would translate into approximately 18,000 more jobs in the provincial economy.

In the real world, economies do not operate completely in either the competitive or the non-competitive market situation. No economy is so weak that it is completely made up of firms which are boxed-in as price takers, nor is any economy so strong that all its firms are price setters. Nova Scotia is no exception. Some of our firms are price setters, and some are price takers. Therefore, the most likely impact of freer trade is somewhere between the two sets of numbers shown in Table 13. However, because there are in our province a large number of firms trading into the North American market which are primarily price takers in their respective product markets, the impact is likely to be closer to that shown in the "competitive" scenario. The most prudent judgement is, then, that the competitive scenario reflects the GDP and employment net impacts which the Canada-U.S. Free Trade Agreement is likely to exert on the Nova Scotia economy.

One final point here: Since full implementation of the Agreement takes ten years, the above figures should be taken in the context of the same period of time.

CONCLUSION

The findings of ours and other modelling exercises are attempts to quantify from a theoretical approach the impacts of the trade agreement, that is to say, the impacts of lowering and eventually completely eliminating tariff and non-tariff barriers between Canada and the U.S.A. In practice, the actual effect of the agreement on the Canadian or Nova Scotian economy will be decided on a company by company basis.

The positive results of the Free Trade Agreement on the total economy--as well as on the industry by industry, company by company level -- will be possible only if each and every enterprise, large and small, assesses in a creative, forward-looking fashion its own situation in this changing trade environment. This means analyzing such factors as its competitive position, unit costs, production prices, investment in R & D, technology and/or capital equipment.

In the end, the real results of the Free Trade Agreement will be decided not by models, nor by governments, but by individual people and companies gearing themselves successfully for selling in the large North American market.

This and other econometric modelling exercises belong to the level of <u>theory</u>, to the economists attempting to quantify the rational behavior of all participants in the market place. The level of <u>practice</u>, the real market place, belongs to the entrepreneurs, businessmen, and economic organizations which actually make up a functioning economy.

KEY TERMS *

TERM/ABBREVIATION	DEFINITION
Countervailing Duties (CVD's)	Additional duties (protective tariffs) imposed by an importing country to offset government subsidies in an exporting country.
Free/Freer Trade	Pure "Free Trade" means that goods and services can be shipped from one country for use or sale in another country without encountering any government-imposed obstacles, in terms of **fiscal barriers** (duties, tariffs, special taxes, etc.) and **non-fiscal barriers** (administrative rules, licensing requirements, etc.). In its pure form, this rarely exists even inside a country, let alone between countries. It does not exist within Canada. What does exist, and what has been developing since the end of World War II, is the **gradual reduction** of those barriers, tariffs, etc. This is usually known as liberalization of trade, or **freer trade.**
Inputs	Goods and services used in the production, distribution and sale of a product: capital, materials, labour, energy, etc. What "goes into" the product in each succeeding operation.
Non-Tariff Measures/Barriers (NTMs, NTBs)	Government measures or administrative policies **other than tariffs** which restrict or distort international trade. Examples include import quotas, restrictive government procurement practices, uneven application of health/safety standards, and many others. (See Appendix C.)

*For more detail and additional terms, see Appendix II: Glossary of Trade Terms.

TERM/ABBREVIATION	DEFINITION
Value-Added	The value added to purchased goods by a firm through its operations (manufacturing, assembling, handling, distributing, etc.). Products tend to increase in value in relation to the costs of the operation involved. The chain of value-added work can be long: milling lumber from logs, making a packaged house from the lumber, shipping it, selling it, etc. Note that both wholesale and retail operations are included in this concept.
GATT	The **General Agreement on Tariffs and Trade** (GATT) is a multilateral treaty, subscribed to by 91 countries which together account for more than four-fifths of world trade. GATT delineates rules for international trade. Its primary objective is to liberalize world trade and place it on a secure basis, thereby contributing to global economic growth and development.

GLOSSARY OF TRADE TERMS

Term	Definition
Adjustment	The ongoing process by which the economy declines or renews and adjusts to changing circumstances. Among the factors which influence the scope and pace of adjustment are changes in technology and productivity, trade liberalization, consumer taste, resource exhaustion, and the changing composition of the labour force.
Anti-dumping Duties	Additional duties imposed by the importing country in instances where imports are priced at less that the "normal" price charged in the exporter's domestic market and are causing material injury to domestic industry in the importing country.
Autopact	A sectoral trade agreement entered into by the United States and Canada in 1965 in order to encourage the rationalization and growth of the North American auto industry. It provides for duty-free movement between the two countries of new automobiles and original equipment parts.
Common Market	See Customs Union.
Competition Policy	Set of policy measures whose objective is to protect the effective operation of the economy based on the premise that generally a market system will give better results in terms of economic and industrial performance than any alternative systems of industrial organization. Canada's competition policy is founded in the *Combines Investigation Act*.
Contingency Protection	Collective term referring to Anti-dumping and Countervailing Duties and Safeguards.
Countervailing Duties	Additional duties imposed by the importing country to offset government subsidies in the exporting country, when the subsidized imports cause material injury to domestic industry in the importing country.
Customs Duties	See Tariff.

Customs Union	A group of nations which have eliminated trade barriers among themselves and imposed a common tariff on all goods imported from all other countries. A customs union is often referred to as a common market.
Defence Production Sharing Arrangements	A set of administrative arrangements between the United States and Canada dating back to the 1941 Hyde Park arrangement providing for free trade in defence materiel and encouraging shared production of such materiel.
Dispute Settlement Mechanism	Those institutional provisions in a trade agreement which provide the means by which differences of view between the parties can be settled.
Duties	See Tariff.
Escape Clause Measures	See Safeguards.
Emergency Restrictions	See Safeguards.
Fair Trade	See Unfair Trade.
Framework Agreement	A trade agreement limited to a broad statement of objectives but including institutional arrangements to facilitate the attainment of these objectives.
Free Trade	An economic concept used for analytical purposes to denote trade unfettered by government-imposed trade restrictions; also used as a general term to denote the end result of a process of trade liberalization. Freer trade is the comparative term used to denote circumstances between current practice and the achievement of free trade.
Free Trade Area	A cooperative arrangement among two or more nations which agree to remove substantially all tariff and non-tariff barriers to trade with each other, while each maintains its differing schedule of tariffs applying to all other nations.
Functional Trade Agreement	A trade agreement limited to a particular type of measure used to restrict or manage trade, such as government procurement, emergency safeguards or countervailing duties.

GATT	The General Agreement on Tariffs and Trade (GATT) is a multilateral treaty, subscribed to by 91 countries or contracting parties which together account for more than four-fifths of world trade. GATT delineates rules for international trade. Its primary objective is to liberalize world trade and place it on a secure basis, thereby contributing to global economic growth and development.
Government Procurement	The term refers to purchases of goods and services by official government agencies. As a non-tariff barrier to trade, it refers to discriminatory purchases from domestic suppliers, even when imported goods are more competitive.
Import Quota	See Quantitative Restriction.
Injury	The term used in international commerce to describe the effect on domestic producers of a decline in output, lost sales, decline in market share, reduced profits and return on investment, reduced capacity utilization, etc., as a result of import competition. A distinction is often made between serious injury (required for emergency safeguard measures) and material injury (required for anti-dumping and countervailing duties).
Intellectual Property	A collective term used to refer to new ideas, inventions, designs, writings, films, etc. protected by copyright, patents, trademarks, etc.
Most-Favoured-Nation Treatment (MFN)	A commitment that a country will extend to another country the lowest tariff rates it applies to any third country. This is the first principle of the GATT. Exceptions to this basic rule are allowed in the formation of regional trading arrangements, provided certain strict criteria are met.
Multilateral Trade Negotiations (MTN)	Series of negotiations culminating in simultaneous agreements among participating countries to reduce tariffs and non-tariff barriers to trade. Seven rounds of multilateral negotiations have been held under the auspices of the GATT since 1947.
National Treatment	This expression refers to the extension to imported goods of a treatment no less favourable than that accorded to domestic products with respect to internal taxes, laws, regulations and requirements. GATT members are obliged to accord to one another "national treatment" with respect to internal measures that can affect trade.

Non-Tariff Barriers Measures	Government measures or policies other than tariffs or which restrict or distort international trade. Examples include import quotas, discriminatory government procurement practices, measures to protect intellectual property.
Phasing	See Transitional Measures
Quantitative Restriction	An explicit limit, usually by volume, on the amount of a specified commodity that may be imported into a country.
Round	The term used to describe the periodic trade liberalization conferences sponsored by the GATT. Seven rounds have been held since 1947, the latest of which was the Tokyo Round (1973-1979).
Rules of Origin	The term for the set of measures used to differentiate between goods originating in one country from those in another for the purpose of the application of trade measures such as tariffs. For example, goods made up of components originating in various countries but which when assembled add 50% to their overall value may be considered to be goods originating in one country, whereas the addition of 25% in value would not qualify. Such rules are very important for countries which are members of a free-trade area.
Safeguards	The term safeguards refers to emergency actions in the form of additional duties or import quotas applied to fairly traded imports which nevertheless cause or threaten serious injury to domestic producers.
Sectoral Trade Agreement	A trade agreement limited in its application to a particular group of related products comprising a sector. The Autopact is an example of a bilateral sectoral agreement and the GATT Aircraft Agreement is an example of a multilateral sectoral agreement.
Services	Economic activities the result of which is the provision of services rather than goods. This includes such diverse activities as transportation, communications, insurance, banking, advertising, consulting, distribution, engineering, medicine, education, etc. It is the fastest growing area of economic activity in Canada. Two-thirds of working Canadians are now employed in the services sector. Trade in services takes place when a service is exported from a supplier nation to another nation, such as an international airflight, or the extension of credit, or the design of a bridge.

Subsidy	A bounty, grant or other form of government assistance bestowed directly or indirectly upon the manufacture, production, or export of any merchandise.
Surcharge or surtax	A tariff or tax on imports in addition to the existing tariff, often used as an emergency safeguard measure.
Tariff	A tariff is a tax on imports; the tariff rate is the rate at which imported goods are taxed.
Trade Liberalization	A general term used to denote the gradual process of removing tariff and non-tariff barriers. Seven rounds of negotiations under GATT since 1947 have resulted in a large measure of trade liberalization among industrialized countries.
Transitional Measures	Those measures in place for a limited period of time during which a new trade agreement is gradually implemented. The Tokyo Round tariff cuts, for example, are being phased in over a period of eight years. Other transitional measures could include, for example, the right to take certain temporary safeguard measures or apply adjustment assistance measures.
Unfair Trade	An American term used to describe trade in dumped, subsidized or counterfeit goods; the application of the term has steadily widened as U.S. trade remedy laws have defined new practices which are considered to harm the export and import interests of U.S. companies.

16. **Major Group 16 – Electrical Products Industries**

331 Manufacturers of Small Electrical Appliances
332 Manufacturers of Major Appliances (Electric and Non-Electric)
333 Manufacturers of Lighting Fixtures
334 Manufacturers of Household Radio and Television Receivers
335 Communications Equipment Manufacturers
336 Manufacturers of Electrical Industrial Equipment
338 Manufacturers of Electric Wire and Cable
339 Manufacturers of Miscellaneous Electrical Products

17. **Major Group 17 – Non-Metallic Mineral Products Industries**

351 Clay Products Manufacturers
352 Cement Manufacturers
353 Stone Products Manufacturers
354 Concrete Products Manufacturers
355 Ready-Mix Concrete Manufacturers
356 Glass and Glass Products Manufacturers
357 Abrasives Manufacturers
358 Lime Manufacturers
359 Miscellaneous Non-Metallic Mineral Products Industries

18. **Major Group 18 – Petroleum and Coal Products Industries**

365 Petroleum Refineries
369 Miscellaneous Petroleum and Coal Products Industries

19. **Major Group 19 – Chemical and Chemical Products Industries**

372 Manufacturers of Mixed Fertilizers
373 Manufacturers of Plastics and Synthetic Resins
374 Manufacturers of Pharmaceuticals and Medicines
375 Paint and Varnish Manufacturers
376 Manufacturers of Soap and Cleaning Compounds
377 Manufacturers of Toilet Preparations
378 Manufacturers of Industrial Chemicals
379 Miscellaneous Chemical Industries

20. **Major Group 20 – Miscellaneous Manufacturing Industries**

391 Scientific and Professional Equipment Industries
392 Jewellery and Silverware Industry
393 Sporting Goods and Toy Industries
397 Signs and Displays Industry
399 Miscellaneous Manufacturing Industries, n.e.s.

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21. **Division 1 – Agriculture**

Ind. No.

Major Group 1 – Experimental and Institutional Farms

001 Experimental and University Farms
003 Institutional Farms

Major Group 2 – Farms (except Experimental and Institutional Farms)

011 Livestock and Livestock Combination Farms
013 Field Crop and Field Crop Combination Farms
015 Fruit and Vegetable Farms
017 Other Crop and Livestock Combination Farms
019 Miscellaneous Specialty Farms

Major Group 3 – Services Incidental to Agriculture

021 Services Incidental to Agriculture

22. **Division 2 – Forestry**

Major Group 1 – Logging

031 Logging

Major Group 2 – Forestry Services

039 Forestry Services

23. **Division 3 – Fishing and Trapping**

Major Group 1 – Fishing

041 Fishing

Major Group 2 – Fishery Services

045 Fishery Services

Major Group 3 – Hunting and Trapping

047 Hunting and Trapping

24. **Division 4 – Mines (including Milling), Quarries and Oil Wells**

Major Group 1 – Metal Mines

051 Placer Gold Mines
052 Gold Quartz Mines
057 Uranium Mines
058 Iron Mines
059 Miscellaneous Metal Mines

Major Group 2 – Mineral Fuels

061 Coal Mines
064 Crude Petroleum and Natural Gas Industry

Major Group 3 – Non-Metal Mines (except Coal Mines)

071 Asbestos Mines
072 Peat Extraction
073 Gypsum Mines
079 Miscellaneous Non-Metal Mines

Major Group 4 – Quarries and Sand Pits

083 Stone Quarries
087 Sand Pits or Quarries

Major Group 5 – Services Incidental to Mining

096 Contract Drilling for Petroleum
098 Other Contract Drilling
099 Miscellaneous Services Incidental to Mining

25.

Division 6 – Construction Industry

Major Group 1 – General Contractors

404 Building Construction
406 Highway, Bridge and Street Construction
409 Other Construction

Major Group 2 – Special-Trade Contractors

421 Special-Trade Contractors

26.

Division 7 – Transportation

Major Group 1 – Transportation

501 Air Transport
502 Services Incidental to Air Transport
503 Railway Transport
504 Water Transport
505 Services Incidental to Water Transport
506 Moving and Storage, Used Goods, Uncrated
507 Other Truck Transport
508 Bus Transport, Interurban and Rural
509 Urban Transit Systems
512 Taxicab Operations
515 Pipeline Transport
516 Highway and Bridge Maintenance
517 Miscellaneous Services Incidental to Transport
519 Other Transportation

Major Group 2 – Storage

524 Grain Elevators
527 Other Storage and Warehousing

27.

Major Group 3 – Communication

543 Radio and Television Broadcasting
544 Telephone Systems
545 Telegraph and Cable Systems
548 Post Office

28.

Major Group 4 – Electric Power, Gas and Water Utilities

572 Electric Power
574 Gas Distribution
576 Water Systems
579 Other Utilities

Division 8 – Trade

Major Group 1 – Wholesale Trade

602 Wholesalers of Farm Products
606 Wholesalers of Coal and Coke
608 Wholesalers of Petroleum Products
611 Wholesalers of Paper and Paper Products
612 Wholesalers of General Merchandise
614 Wholesalers of Food
615 Wholesalers of Tobacco Products
616 Wholesalers of Drugs and Toilet Preparations
617 Wholesalers of Apparel and Dry Goods
618 Wholesalers of Household Furniture and Furnishings
619 Wholesalers of Motor Vehicles and Accessories
621 Wholesalers of Electrical Machinery, Equipment and Supplies
622 Wholesalers of Farm Machinery and Equipment
623 Wholesalers of Machinery and Equipment, n.e.s.
624 Wholesalers of Hardware, Plumbing and Heating Equipment
625 Wholesalers of Metal and Metal Products, n.e.s.
626 Wholesalers of Lumber and Building Materials
627 Wholesalers of Scrap and Waste Materials
629 Wholesalers, n.e.s.

Major Group 2 – Retail Trade

631 Food Stores
642 General Merchandise Stores
652 Tire, Battery and Accessories Stores
654 Gasoline Service Stations
656 Motor Vehicle Dealers
658 Motor Vehicle Repair Shops
663 Shoe Stores
665 Men's Clothing Stores
667 Women's Clothing Stores
669 Clothing and Dry Goods Stores, n.e.s.
673 Hardware Stores
676 Household Furniture and Appliance Stores
678 Radio, Television and Electrical Appliance Repair Shops
681 Drug Stores
691 Book and Stationery Stores
692 Florists' Shops
694 Jewellery Stores
695 Watch and Jewellery Repair Shops
696 Liquor, Wine and Beer Stores
697 Tobacconists
699 Retail Stores, n.e.s.

29-B

Division 9 – Finance, Insurance and Real Estate

Major Group 1 – Finance Industries

701 Banks and Other Deposit Accepting Establishments
703 Other Credit Agencies
705 Security Brokers and Dealers (including Exchanges)
707 Investment and Holding Companies
715 Canadian Offices of Canadian-Incorporated Companies Classified as Non-Canadian

Major Group 2 – Insurance Carriers

721 Insurance Carriers

Major Group 3 – Insurance Agencies and Real Estate Industry

735 Insurance and Real Estate Agencies
737 Real Estate Operators

Major Group 5 – Services to Business Management

851 Employment Agencies and Personnel Suppliers
853 Computer Services
855 Security and Investigation Services
861 Offices of Accountants
862 Advertising Services
863 Offices of Architects
864 Engineering and Scientific Services
866 Offices of Lawyers and Notaries
867 Offices of Management and Business Consultants
869 Miscellaneous Services to Business Management

Major Group 6 – Personal Services

871 Shoe Repair Shops
872 Barber and Beauty Shops
873 Private Households
874 Laundries, Cleaners and Pressers (except Self-Service)
876 Self-service Laundries and Dry Cleaners
877 Funeral Services
879 Miscellaneous Personal Services

29-C

Major Group 1 – Education and Related Services

801 Kindergartens and Nursery Schools
802 Elementary and Secondary Schools
803 Schools of Art and of the Performing Arts
804 Vocational Centers, Trade Schools and Business Colleges
805 Post-Secondary Non-University Educational Institutions
806 Universities and Colleges
807 Libraries, Museums and Other Repositories
809 Education and Related Services, n.e.s.

Major Group 2 – Health and Welfare Services

821 Hospitals
822 Related Health Care Institutions
823 Offices of Physicians and Surgeons
824 Offices of Para-medical Personnel (Practitioners)
825 Offices of Dentists
826 Diagnostic and Therapeutic Services, n.e.s.
827 Miscellaneous Health Services
828 Welfare Organizations

Major Group 2 – Provincial Administration

931 Provincial Administration

29-D

Major Group 7 – Accommodation and Food Services

881 Hotels and Motels
883 Lodging Houses and Residential Clubs
884 Camping Grounds and Trailer Parks
886 Restaurants, Caterers and Taverns

29-E

Major Group 4 – Amusement and Recreation Services

841 Motion Picture Theatres
842 Motion Picture Production and Distribution
843 Bowling Alleys and Billiard Parlours
844 Golf Clubs and Country Clubs
845 Theatrical and Other Staged Entertainment Services
849 Miscellaneous Amusement and Recreation Services

Major Group 8 – Miscellaneous Services

891 Labour Organizations and Trade Associations
893 Photographic Services, n.e.s.
894 Automobile and Truck Rental
895 Machinery and Equipment Rental
896 Blacksmithing and Welding Shops
897 Miscellaneous Repair Shops
898 Services to Buildings and Dwellings
899 Miscellaneous Services, n.e.s.

Major Group 1 – Federal Administration

902 Defence Services
909 Other Federal Administration

Major Group 3 – Local Administration

951 Local Administration

Major Group 4 – Other Government Offices

991 Other Government Offices

INDUSTRY TRADE SURVEY - JANUARY, 1986
FIRMS / ASSOCIATIONS CONTACTED

A.C.A. Co-operative Association Limited
Abco Industrial Limited
Abco, Plastics Division
Acadian Distillers Limited
Aerovox Canada Limited
AMFAL Group Ltd.
Andres Wines Atlantic Ltd.
Arcade Ladies Shoppe Ltd.
Atlantic Customs Brokers
Atlantic Herring Fishermen's Market Co-op Ltd.
Bonda Inc.
Bowater Mersey Paper Co. Ltd.
Breton Industrial & Marine Ltd.
BRITEX Limited
Cameron and Fraser (1972) Limited
Canada Cement Lafarge Ltd.
Canadian Auto Radiator Exchange & Manufacturing
Canadian Federation of Independent Business
Canadian Food Producers Association
Canadian Keyes Fibre
Canadian Manufacturer's Association
The Canadian Salt Co.
Can-Am Containers Limited
Canexel Inc.
Cape Breton Development Corporation
Cape Breton Offshore Fabricators
Chester Plastics (1975) Ltd.

Christmas Tree Council of Nova Scotia
COBI Foods Inc.
Colonial Motor Sales
Construction Association of Nova Scotia
Crockett McConnell Inc.
Crossley Karastan Carpet Mills Ltd.
Crown Fibre Tube Inc.
Custom Automation Inc.
The DPA Group Inc.
Dominion Biologicals Limited
Dominion Textiles Inc.
Eastern Fishermen's Federation
Erfan Lumber Limited
Farmers Co-operative Dairy Ltd.
Forceten Enterprises Inc.
Grohmann Knives 1974 Limited
Halifax-Dartmouth Port Development Commission
Hawker-Siddeley Canada Inc. Trenton Works
Helly-Hansen (Canada) Ltd.
Heritage Cedar Homes Ltd.
Hermes Electronics Limited
Highland Fisheries Ltd.
Huyck Canada Limited, Formex Fabric Plant
I.M.O. Foods Limited Canada
Internav Limited & Micronav Limited
Kent Homes Limited
Kerr Controls Ltd. Insulation Manufacturing Division
Kingston Lumber and Building Supplies Ltd.
Kuehne and Nagel International Ltd.
Ledwidge Lumber Company Limited
Maritime Lumber Bureau
Maritime Steel and Foundries Limited
Maritime Telegraph and Telephone Company
I. H. Mathers and Son Limited
Michelin Tires (Canada) Ltd.

Minas Basin Pulp and Power Co. Ltd.
Nabisco Brands Ltd. Lowneys/Moirs Division
National Gypsum (Canada) Ltd.
National Sea Products Limited
Nautical Electronic Laboratories Ltd.
Nova Scotia Association of Health Organizations
Nova Scotia Chamber of Mineral Resources
Nova Scotia Federation of Agriculture
Nova Scotia Fruit Growers Association
Nova Scotia Greenhouse Growers Association
Nova Scotia Mink Breeders Association
Nova Scotia Power Corporation
Nova Scotia Textiles Ltd.
Nova Scotia Wood Products Manufacturers Association
Novaport Limited
Oxford Frozen Foods Limited
Peninsula Farms Ltd.
Polymer International (N.S.) Ltd.
Price and Pierce (Canada) Ltd.
Ramsen Engineering Associates Inc.
Riverdale Lumber Limited
St. Mary's Bay Fisheries Ltd.
Schooner Seafoods Ltd.
Scotia Marine Products (1983) Inc.
Scotia Twines Ltd.
Scott Maritimes Limited
Seafood Producers Association of Nova Scotia
Seaman Cross Limited
L. E. Shaw Limited
Simmons Limited
Sobey's Stores Ltd.
Southwest Nova Fish Packers Association
Stanfield's Limited
STORA Forest Industries Ltd.
Surette Batteries Ltd.

Surfline Engineering Ltd.
Suttles and Seawinds Limited
Sydney Steel Corporation
Thorne, Stevenson & Kellogg
Tibbetts Paints Limited
Tourism Industry Association of Nova Scotia
Tri Star Industries Ltd.
Twin City Rebar Services Ltd.
Ven-Rez Products Limited
Volvo Canada Ltd.
Wear Well Garments Ltd.

FORMAT USED FOR INTERVIEWS

* Is our basic data on your firm up to date?

  (Is there some portion of foreign Ownership involved?)

* Sales profile: what % of total sales now is exports-- where to?

  - if exporting, why? e.g. greater profit margin on exports?

    - can you export more? if so, why would you be interested?

  - if not selling in U.S., why not?

  - if not selling overseas, why not?

* With your current exports, what are the conditions you have to meet to participate in those markets? (Be specific, i.e. U.S., Europe, Far East etc.)

  - standards, purchasing, labelling, customs procedures, licensing, quotas --- what are the hoops you have to go through?

  - quality, quantity, price?

- Have those conditions caused problems?

  - try to get as specific information on this as possible: what problems, how do people deal with them.

  - are you aware of these conditions causing problems for <u>other</u> firms?

  - how is this affecting your sales and marketing efforts?

* Have your export sales been affected by exchange rate changes?

  - Would modest up an/or down moves by the Canadian $ have an effect?

    - how about 65¢ ? 85¢ ?

  - Has it affected your domestic sales? Has your competition from imports been affected by exchange rate charges?

* Do you now use imported materials, components, etc. in making your products?

  - Do you access these directly or buy thru an importer/broker?

  - Do you import equipment or machinery to make the products?

- imported from where?

- what?

- % of value of final product (need a 'content' profile here...)

- is there Canadian duty? (if so, rate?) Other obstacles? (if so, what?)

- If Canadian tarriffs/barriers are reduced, how will this affect you?

* Is the domestic market for your product still growing (i.e. N.S., Maritimes, Canada)

- Are there products from other countries (especially U.S.) now competing with yours on the domestic market?

  - If not, why not?

- If so, are there currently Canadian factors which help protect you? (e.g. duties, standards, french-english labels, quotas, procurement rules, bureaucratic requirements (forms, etc.), customs.

  - which of these are the most important?

  - If they are reduced, will that affect your share of the domestic market?

    - How do you plan to deal with that?
      e.g. diversify/specialize
      grow/shrink
      fight/switch
      invest/disinvest
      hire/layoff

    - What could the governments do to help you make the needed adjustments?

* Do you forsee new opportunities if foreign (especially U.S.) tarriffs/barriers are reduced?

  - Do you have any specific plans on how to deal with this? (get as many sepcifics as you can)

  - How could federal/provincial governments help you to take advantage of those opportunities?

* Do you consider it likely that you would have to make some arrangements with a U.S. or overseas firm (e.g. technology licensing, joint venture, merger) in order to survive without protection?

  - Will you likely have to do this in any case?

  - Will you have to develop a new marketing strategy (perhaps involving new market channels (e.g. brokers, agents, commissions, etc.)

* In trade talks, especially with the U.S., from your point of view, what should the government be working <u>for</u> (to help you) and working <u>against</u> (to avoid problems)?

  - In general, are you for or against freer trade?

* Employment impact (estimate): positive or negative?

  Why? Trade?

  Technology?

  Other?